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OF THE

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OF THE PROVINCE OF ONTARIO

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THE LEGISLATIVE ASSEMBLY

THIRTEENTH DAY

Toronto, Ontario,
Monday, March 5, 1945

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at three o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

CLERK OF THE HOUSE: The following petitions have been received:

"Of the Corporation of the Town of Paris, praying that an Act may pass authorizing the purchase by the Petitioners of the Paris Arena from the Paris Arena, Limited, and the issue of debentures of $8,000.00 therefor.

"Of the Corporation of the Township of Teck, praying that an Act may pass authorizing the said Corporation to terminate an agreement with the Teck-Hughes Gold Mines, Limited, providing for the supply of water."

MR. SPEAKER: Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

MR. WILLIAM DENNISON (St. David): Mr. Speaker, I move, seconded by Mr. Strange (Brantford), that leave be given to introduce a bill entituled, "An Act to amend the Municipal ~~House~~ Health Services' Act, 1944," and that

the same be now read the first time.

Motion agreed to and bill read the first time.

HON. R. P. VIVIAN (Minister of Health): Would the hon. member (Mr. Dennison) explain?

MR. DENNISON: Mr. Speaker, and hon. members of the House, I would just like to explain this amendment would give any municipal body the right to make their own plans with their own local hospitals or physicians or boards or associations without necessarily going through the provincial Health Services' Board. It would also allow them to raise their own money, and disperse those funds in any way they saw fit, subject to the hon. Minister's regulations, without handing over the money to the provincial board to spend for them.

And, thirdly, it would not definitely force an election of the local plan at the end of three years unless the local municipality decided an election or a vote on the plan was desirable at that time.

And, fourthly, it would require that six months' notice be given for the termination of the plan.

MR. C. A. STRANGE (Brantford): I move, seconded by Mr. Dennison, that leave be given to introduce a bill entituled, "An Act to amend the Marriage Act," and that same be now read the first time.

Motion agreed to and bill read the first time.

MR. STRANGE: The purpose of this bill is to provide that before two persons can be married they must produce a certificate from a qualified physician stating they have taken a blood test for the determination of syphilis. There is a provision made for cases of extreme urgency, where the hon. Provincial Secretary (Mr. Dunbar), with the permission of the hon. Minister of Health (Mr. Vivian), may issue a marriage licence.

HON. G. H. DUNBAR (Provincial Secretary): Mr.

the same be [illegible]

Motion [illegible]

HON. [illegible]

hon. member (Mr. [illegible]

MR. DRAKE: [illegible]

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any [illegible] capital [illegible]

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tions without [illegible]

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[illegible]

Mr. Pennisor [illegible]

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HON. [illegible]

Speaker, I beg leave to present to the House the following:

"1. Return to an Order that there be laid before the House a return showing, in each department of Government:

1. The number of employees who have received salary increases as therein set out, and

2. The total number of such employees.

"2. Return to an Order that there be laid before the House a return showing:

1. What is the total amount of fire insurance premiums paid each year on all Government property in Ontario, and the amount of fire losses recovered each year during the past forty years, etc.

"3. Report of the Liquor Control Board for the year ending March 31st, 1944.

"4. Twenty-fourth Annual Report of the Public Service Superannuation Board for the fiscal year ending March 31st, 1944.

"5. Report of the Board of Governors of the University of Toronto for the year ending June 30th, 1944.

"6. Orders in Council under the Guarantee Companies Securities Act and Section 70 of The Judicature Act.

"7. Orders in Council pertaining to the Department of Education."

MR. SPEAKER: I recognize the hon. member for Essex North (Mr. Alles).

MR. A. NELSON ALLES (Essex North): Mr. Speaker, I rise on a matter of public importance, to bring before the House a topic which was the subject of a great deal of discussion in my own constituency and around Windsor, in general. This matter is being made the basis for much unfavourable criticism of this Government, and, therefore, I think it only fair to bring it before the Government at this time.

A few weeks ago hotel managers were told the law pertaining to women waitresses in beer parlours would be enforced. This law, as you are all aware, was relaxed, due to the labour shortage, just shortly after the beginning of of the war. It appears now there is no longer a labour

shortage, and the reason given for enforcing this law was that these jobs of dispensing beer were required to be handed out to war veterans of this war. This might have been a noble gesture, Mr. Speaker, if you consider such a job suitable for our war heroes and a just reward for their sacrifices. It might have been a good gesture had it not been for the fact about two weeks later the beer quotas in Windsor were drastically sliced, in some cases as much as sixty-eight per cent, and the services of war veterans recently hired are no longer required, and service men in Windsor are giving this the "raspberry," and I am sincerely hoping this will not be typical of the plans made in this House regarding the postwar employment problem, particularly in the case of war veterans.

I should like some further information and assurance on this point.

MR. SPEAKER: I recognize the hon. member for York North (Mr. Mitchell).

MR. G. H. MITCHELL (York North): I also rise, Mr. Speaker, on a matter I feel is of public importance. It has been brought to my attention a number of men are being discharged by Arthur S. Leitch Company, Limited, which, I understand, is receiving subcontracts from the Redfern Construction (Shipbuilding) Company on Fleet Street, by giving these men only two hours' notice instead of the prescribed seven days' notice under the Selective Service Regulations. These regulations require a man shall give seven days' notice to his employers, and, on the other hand, the employer shall give the employee seven days' notice.

The above-mentioned firm discharged these men on Wednesday, February 28th, after two hours' notice, and because of this fact I consider this matter of sufficient

shortage, and the [illegible]

that these jobs [illegible]

handed out to [illegible]

been a noble [illegible]

job [illegible]

sacrifices [illegible]

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Windsor were [illegible]

sixty-eight [illegible]

roughly three [illegible]

Windsor are [illegible]

hoping this will [illegible]

House [illegible]

in the [illegible]

I should [illegible]

on this point.

MR. STANFIELD [illegible]

North (Mr. Mitchell)

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Speaker, [illegible]

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Wednesday, February [illegible]

because of the [illegible]

importance to this House, and especially to the hon. Minister of Labour (Mr. Daley), to bring before the House at this time, so that the hon. Minister may take any necessary steps in order that this situation may be rectified -- not only this situation, but that other employers shall definitely know the practice will not be tolerated.

I recommend, and strongly urge, that the hon. Minister of Labour for this province immediately get in touch with Mr. Mitchell, Minister of Labour for the Dominion of Canada, with the request that employers be warned against resorting to the practice used by the above-mentioned firm. It does seem to me that now we are nearing the end of the war some employers, at least, are only too willing and anxious to take advantage of their employees. I cannot speak too strongly against such practices, and if we are to succeed in our post-war projects full cooperation between employer and employee must be maintained at all costs.

MR. SPEAKER: The hon. member for Windsor-Walkerville (Mr. Riggs).

MR. WILLIAM C. RIGGS (Windsor-Walkerville): I rise to as the hon. Chairman of the Liquor Control Board two questions. I would like to ask a question on a quotation from the Toronto "Globe and Mail" of Saturday, and here is the quotation, in part:

> "As the alleged beer shortage argument began to grow to Queen's Park proportions to-day, R. M. Harrison, Windsor Star columnist, jumped into the midst of it with a comment on the allegation that London, Ontario, is now getting more beer gallonage than is Windsor.
>
> "London had the good sense to vote on the right side at the last provincial election."

My question is, Is there any discrimination as regards this reason Mr. Harrison gives? I would like the hon. Minister to also break down how this is working out, going

importance to this [illegible]
labour (Mr. [illegible]
that the hon. Mini[illegible]
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but that other [illegible]
not be tolerated.

I recommend [illegible]
of labour for this [illegible] Mr.
Mitchell, Minister [illegible]
the request that [illegible]
the practice used by [illegible]
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at least, are [illegible]
their employees [illegible]
practices, and [illegible]
full cooperation [illegible]
trained at all [illegible]

MR. [illegible]
(Mr. Higgs).

MR. [illegible]
as the hon. [illegible]
I would like to [illegible]
"Globe and [illegible]
part:

[illegible]

MR. [illegible]
this [illegible]
Minister [illegible]

back to 1942, because I might add, 1943, as far as Windsor was concerned, was one of the busiest periods Windsor ever had. The automobile and industrial-field employment was the largest in Windsor's history, so I do know there was a large influx of people, and I would like to ask the speaker these questions.

HON. CHARLES DALEY (Minister of Labour). Mr. Speaker, as the hon. member for York North (Mr. Mitchell) first directed a question, or it may be called a request that I do something about the question that he raised, I think it is only fair to ask him if he has something specific to give me on that question. Certainly I know nothing of it, and I think before I could deal with the Department at Ottawa I should have something more than just a general statement. I should have some names of companies and some names of the men who have actually been laid off on such short notice.

MR. MITCHELL: I shall be pleased to furnish you with that informaion.

HON. WILLIAM G. WEBSTER (Minister without Portfolio): Mr. Speaker, I shall be very glad indeed to answer the questions of the hon. member for Windsor-Walkerville (Mr. Riggs). In fact, I welcome the opportunity.

As anyone who has ever been in Windsor knows, they have a good many enterprises there operating under the names of hotels that are primarily for the purpose of selling beer. While many of them are well operated, a number of them leave a good deal to be desired in the way of management.

It is the announced policy of the Board to do what it can to clean up the present hotel situation, which has been the subject of a good deal of adverse comment. Proceedings along that line in Windsor, in the month of

back to 1942, because I think it is fair to say Windsor was concerned, was one of the greatest tourist's Windsor ever had. The automobile and increasingly airplane traffic was the largest in Windsor's history. So I do ask if there was a large influx of people, as I would like to ask the speaker these questions.

HON. CHARLES DALY, Minister of Lands: Mr. Speaker, as the hon. member for Lake North (Mr. Mitchell) has directed a question, or it may be called a request that I do something about the question that is issued, I think it is only fair to ask him if he can something specific to give me on that question. Certainly I know nothing of it, and I think before I would have had the departments at work I should have something more than a general statement. I should have some idea of companies or some names of the men who have actually been laid off on such short notice.

MR. MITCHELL: I shall be pleased to furnish you with that information.

HON. WILLIAM G. WEGENER, Minister without Portfolio: Mr. Speaker, I shall be very glad indeed to answer the question of the hon. member for Lake Nipigon-Kenoreville (Mr. Biggs). In fact, I welcome the opportunity.

As anyone who has ever been in office for long, they have a good many encounters with people who claim the names of hotels that are overcharging, the authors of so-called beer. While many of them are not [illegible] a good deal to be desired in the way of management.

It is the announced policy of the [illegible] to do what it can to clean up the liquor [illegible]. This is a matter has been the subject of a good deal of advice as [illegible] to [illegible] along that line [illegible] of [illegible]

February, they were allocated the exact basic-year quota. There are, altogether, seventy-seven hotels in Windsor and, in March, of those seventy-seven hotels, forty-three hotels actually had their quotas raised; seven quotas were left intact; and twenty-seven establishments had their quotas reduced in varying amounts, the net result being that the Windsor over-all gallonage was reduced from 88,496 to 84,500, a cut of about four and one-half per cent. I happen to have these figures because I gave them to the Windsor Star this morning.

I naturally have received vigorous protests because the quantities have been quoted in gallons. After all, the gallonage, over-all, in Windsor, is quite inexact, but the cut was quite severe. The object of the cut is not so much to punish as to bring them down here, that I may tell them what we want; and they are all coming down here on Wednesday morning. I will have a good opportunity to talk to them. It will not take very many gallons to restore Windsor to the gallonage they enjoyed last year.

Now, as to the difference between Windsor and London, the population of Windsor is a little indeterminate. The Canadian Almanac gives it as 117,000. A really enthusiastic person from Windsor will claim it as one hundred and twenty thousand to one hundred and thirty thousand. But, putting it as one hundred and twenty thousand, it may be said to be half as big again as London, which was given last year as seventy-eight thousand, five hundred. So London enjoys a little more than half as much as Windsor.

I took the trouble to look up Oshawa's gallonage which is comparable in type with the Windsor gallonage, and I find Oshawa's is a little bit lower than London's.

We have arrived at a figure of six-tenths of a gallon per capita, as a figure which was to be equalized all over the province. Windsor is running over seventy-seven per cent. It is pretty hard to get them down because of the number of hotels.

The uppage in London was forty-two to forty-eight and represents the lowest allocation of beer that there is in the province of Ontario.

I think that covers it pretty well.

MR. E. B. JOLLIFFE (York South): Mr. Speaker, before the Orders of the Day are called I wish to take the opportunity of expressing our pleasure at the return to the House of the hon. Minister of Agriculture (Mr. Kennedy). I am sure that his many friends will be as glad to see him here to-day as they were full of regret to see him away because of the severe illness from which he has been suffering. We will look forward to hearing from the hon. Minister, as soon as it is possible, in reference to his own Department. But we are particularly pleased to find that he is able to be with us at this time during the session.

HON. LESLIE E. BLACKWELL (Attorney General): I am expressing the appreciation of the Government at the return of the hon. Minister of Agriculture (Mr. Kennedy). It is only necessary to look at him to see that his condition was greatly exaggerated in many of the reports. We welcome him back here, and I am sure we are all glad to have him return to the House. He is one of the most popular ministers of agriculture we have ever had in this province.

MR. M. F. HEPBURN (Elgin): It is difficult for me to find words with which to express my happiness at seeing the hon. Minister of Agriculture (Mr. Kennedy) in his place. He has always been most considerate of others' views. He has

often been at my home near St. Thomas. I extend a hearty invitation to him to come back to Bannockburn. I hope he will not use this in his speeches. I think I voice the opinion of every member of the House when I say that he is in every sense of the word one of God's chosen noblemen.

MR. A. A. MacLEOD (Bellwoods): Just to make it unanimous, I want to confirm and support what the Leader of the Opposition (Mr. Jolliffe) has said, and what the hon. member for Elgin (Mr. Hepburn) has said, with reference to the return to the House of the hon. Minister of Agriculture (Mr. Kennedy).

I do not know that it will, to any great extent, change the views of hon. members of the House, but I want to say that he is one man on the Government benches who enjoys the complete affection of all hon. members of this House.

MR. SPEAKER: I see the hon. Minister (Mr. Kennedy) and perhaps we would like to hear his voice for a minute.

HON. THOMAS L. KENNEDY (Minister of Agriculture): Mr. Speaker, no one in this House knows how glad I am to be back. If anyone wants to appreciate being in this House, he wants to be confined within four walls as I have been. While I was confined to my house I had many kind thoughts about the Opposition. I never thought so much of them as I did this winter.

MR. SPEAKER: Orders of the Day.

MR. GEORGE A. DREW (Prime Minister): Order No. 12.

CLERK OF THE HOUSE: No. 12, Bill No. 41, The Securities Act, 1945, Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, if I have your permission and the permission of hon. members to do so, in view of the principles of Bill

No. 41, I will also deal with the principles of Bill No. 42, and when it comes to moving that bill, I will make no further reference to it. Item No. 13, Bill No. 42, is complementary to Bill No. 41.

This Bill No. 41 is rather an ancient one which has caused governments heartaches for a number of years. We only have to remember, Mr. Speaker, the South Sea Bubble, in our High School textbooks to realize that the question of preventing security frauds has been one confronting legislatures for a long time. As a matter of fact, it might interest the hon. members, in considering this question, to appreciate that it was only towards the end of the last century that it became lawful to offer for sale shares of joint stock companies or, as they are known in this country, limited companies. Right at the close of the century, the language of the judiciary in describing such transactions was most critical. I remember in one reported case, in declaring the transaction of selling securities to the public to be quite illegal, the judge used this expression about the purchasers. He described them as unfortunate dupes who chose to speculate in shares, resulting in their moral and material disintegration and hardship to themselves and families.

So you see, Mr. Speaker, this is by no means a new problem. I do wish to add to that, however, this observation, that until the Great War of 1914-1918, the question of purchasing securities was not one that engaged the interest of the general public.

It was confined to transactions between companies and dealers, on the one side, and what might be described as the sophisticated members of the public, those accustomed

to invest funds. And those sophisticated people were accustomed, as a matter of practice in purchasing securities, to demand and get, and to examine with the greatest possible care, prospectuses concerning those securities, that told the material facts on which the investor would form his judgment.

However, with the result of the public education in investments, by reason of the Victory Loan drives in Canada, the Liberty Loan drives in the United States, during the last war, the public in this country and in the United States of America became security conscious. From the close of the war until the great market crash in 1929 we had the picture of the public coming into the stock market in a great way. Not only the members of the public investing funds in securities, but they learned the habit of speculation to earn the thing called capital appreciation; that is, a gain in the capital price of securities. To do this, money was borrowed to buy speculative securities that were returning yields of about half the amount of seasoned bonds, at rates that were seven to eight times the amount that might be expected to yield by securities by way of income.

That tremendous pressure built up behind the stock market an inflationary tendency, and with no means available in this country, at that time, to check it; that is, no accepted instrument such as we have to-day in the Bank of Canada, which can control credit, that bubble finally burst, as did the South Sea Bubble. And that has resulted, and I want to speak plainly in this Legislature, in the considerable confusion that followed.

There is nothing that the Legislature of the Province

of Ontario can constitutionally do to prevent public funds finding their way into the purchase of securities and into the stock market here and elsewhere.

I am told, and I am pleased to hear it, that to-day there is very little credit in the stock market. The large funds that are going into it and going into the purchase of securities, are, I am informed, cash funds. But I do want to impress on the minds of the hon. members of the House that there is another factor in the province of Ontario that was absent in 1929, and that is this fact, that by reason of having income taxes that have been imposed for the purpose of conducting the war, and apparently will be continued to be imposed for other purposes,many members of the public to-day are actuated by the desire to increase the amount of money they have to spend by speculation, by taking capital profits, which are not subject to income taxes, and to-day we have that further greater building up behind the investment picture in Canada.

The only agency that can deal with that situation so far as credit going into that market and adding to its inflationary tendency is concerned, is the Government of Canada acting through the Bank of Canada. And this Legislature is quite unable to deal with that problem.

What this Legislature can do is to provide, under its constitutional powers, regulations that regulate in a proper way the information that has to be given people when they are offered securities for sale, and in addition to that, as an administrative agency, employ the provisions of the Criminal Code of Canada to put a stop, as far as possible, to security frauds. To the extent that that is well done, it will no doubt assist the general situation. But I do want to make clear to this Legislature at the outset that there is no legislation that this Legislature can pass that

can operate to stop a stock market crash. And this legislation is not introduced with the thought that it will accomplish that purpose. But I do want to say that in all the purchasing that is taking place to-day, in the final analysis the only profit that can be taken is the actual capital increase that is earned; and there will be the corresponding recession that is bound to come.

Mr. Speaker, in giving the Legislature a bit of background from which to examine this legislation, I want to examine briefly the different types of legislation now in effect.

In Britain they have the British Companies Act, an Act which provides for proper prospectuses being issued giving the material facts to purchasers of securities. They also have in Britain, of course, a codified Criminal Code, the same as we have in Canada. But recently the British House of Commons has seen fit to enact legislation whereby the provisions with respect to the criminal aspects of security fraud have been tightened up under what is section 12 of the British Act, and as well the new legislation provides for a system of licensing dealers and provides also for a system of appeal from the Board of Trade.

In Canada we have ten different companies Acts, and we have also the Companies Act of Canada, as well as a Companies Act for each province, and that brings up one of our constitutional problems. We have the strange picture that in our Dominion Companies Act there is a provision, section 77(1), which sets forth the information calculated to bring out the material facts that must be disclosed to a purchaser on the purchase of treasury shares from a dominion company. That Act, by reason of our constitution, is effective only in providing that that information be given

on the first issue of shares. The result of that is that when the shares are purchased by an underwriter and are resold, there is no obligation that can be imposed by the Dominion to provide that from that point on the facts having a material bearing on the issue shall be given to the public generally on the distribution of that stock. The Dominion, on the other hand, has the authority to enact through the Criminal Code what shall and what shall not be crimes in relation to the sale of securities. That, of course, is completely beyond the competence of the Legislature of the province of Ontario.

So our position is that in Ontario we have a Dominion Companies Act, and we have the Companies Information Act, under which a prospectus must be filed with the Department, but under our present Securities Act and regulations there is no requirement that that information must be given to the public under the Securities Act and Regulations except in the case of oil royalties and gas royalties.

We have, of course, in Ontario in connection with the administration of our statute the provisions of the Criminal Code.

In the states in the United States and in the province of Ontario there are in the main Securities Act which, without establishing the rules of the Commission by statute, delegate to officials the question of deciding what may or may not be sold. We have therefore under the administration of these Acts a situation whereby neither the public nor those dealing in the securities have any idea of what sort of decision will be made, it depending upon the state of some commissioner's liver at the time the decision is made.

In the United States they have the Securities Exchange Act. There the conception is one of full disclosure of all

the facts relating to securities which must be given to the public before the public buys. That Act is based on a system of prosecution for securities' frauds.

There, Mr. Speaker and members, is the broad situation with regard to securities' legislation which this Government found when it took office. This Government necessarily had to give regard to all the facts, for the province of Ontario is the financial centre of all the Dominion of Canada. Not only by reason of the fact that there is a market for industrial securities here, but also by reason of the fact that this province is one of the greatest mining markets in the world, into which money for investment flows from every part of Canada and externally also. Also we had coming to Ontario people, many of them with a dubious reputation, who were anxious to engage in business here because it is here that the business is transacted.

I would like to mention the type of securities with which we are concerned in this market. There might be further divisions but I would mention the main types of securities dealt with in this province.

First, there are bonds and shares, securities which usually represent fixed and prior charges on some government or other enterprise.

Next in order comes stocks usually known as preferred shares, which are prior charges in relation to liquidation or the dissolution of the assets of a company and therefore are presumed to give much greater security than what are called common or equity shares.

Next in order we have what might be termed seasoned equities in industries, and also seasoned mining stocks which are regarded as a valuable form of investment as distinguished from the speculative stocks. Then we have

stocks that are distinctly speculative both in industries and in mining.

Lastly we have the highly speculative securities that are issued for mining promotion on undeveloped mining property.

The growth of the great mining industry in the province of Ontario has been the direct result of the public being prepared to speculate in these highly speculative issues. It means that we are prepared to take a chance on losing the whole speculation in order to have the opportunity of purchasing that last type of securities. It is as a result of the willingness of the public of this province and people elsewhere who were prepared to send their money to this province for such investment that funds and capital were found for our mining industry. Money was thus made available from time to time to keep our prospectors in the field discovering and developing further prospects.

Under the circumstances I want to submit to this Legislature that with regard to that variety of securities and with regard to the hazard of the more speculative of these securities, there is no official competent or capable of determining what are the actual values that the securities possess. The values are determined by results and by what the public from time to time think about the prospect. I do say, though, that it is the function of government in connection with the sale of such securities to see that the people of this province and elsewhere who are invited to purchase these securities are told the material facts and are given a fair and honest run for their money. Under these circumstances this Government saw fit to appoint the Royal Ontario Mining Commission on October 27th, 1943. That Commission made an interim report at the time the

Legislature sat last year, and it made its final report on September 6th, 1944. The part of this report with which we are concerned is Part II. Part II gave that Commission authority to investigate and make recommendations regarding regulations governing the financing of mining developments. In the expectation that the Commission's report would shortly be available, in June of 1944 this Government appointed a very able and highly regarded civil servant of this province who was then Registrar under the Securities Commission as a commissioner. He was charged upon his appointment with two functions, after consultation with the Government and with officials of the Government. The first function with which he was charged was the preparation of a new draft Securities Act, and secondly with the function of preparing a draft regarding the personnel and practices of the Commission with a view to their reorganization.

At this point I would like to take the opportunity of paying a tribute to Bill Brant, who unfortunately died before he had the opportunity of really doing the job that I am confident he would have accomplished in his new position. He had been Registrar under the Securities Act of this province for many years, and I know of no official of this Government who was more highly regarded both by the brokers and dealers and also by members of the public with whom he had to deal. At the time of his death he had proceeded to the point where he had prepared a draft of a new Securities Act but he had not then been able to prepare a plan for the reorganization of the Department.

It therefore became apparent to the Government that unless the work was continued no legislation would be ready for this session. Consequently as Attorney General I was

appointed temporary Securities Commissioner and undertook the completion of the legislation and planning the reorganization of the Department.

I feel that I should say a few words to the Legislature, Mr. Speaker, as to how we proceeded. In the first instance, working with the departmental officials, various drafts of the bill were prepared until when we had reached the fourth draft we felt that we had a draft that sufficiently implemented the report of the Mining Commission as to be worthy of examination by the people who would be concerned with the operation of the legislation. At that point we met delegations of the Investment Dealers Association, the Exchange Brokers, the Ontario Securities' Dealers Association, also a group of dealers not belonging to any association but who were represented by counsel, also financial editors who were interested in such legislation, the prospectors' association as well as individuals who had submitted to the Mining Commission briefs worthy of consideration. All these had the opportunity to consider and make recommendations with regard to the legislation at its draft 4 stage. On the basis of that examination of the draft bill a fifth draft was prepared, and at this point it was thought desirable that the Securities Commissioners of the rest of Canada should have the opportunity of considering the draft for two reasons: first, we felt that it was highly desirable we should have the benefit of their experience, and secondly, we felt that the amenities required that we should acquaint them with our proposals.

At the meeting of these Securities Commissioners the meeting was clear on one principle, to start with; in fact, otherwise we could not have proceeded at all. As I say, it was a meeting of officials from all across Canada

none of whom had any power to make commitments or to bind his government, and it was understood at the outset that no effort would be made to bring everybody into agreement. At that conference we were fortunate in having present representatives of the Securities Exchange Commission who gave those present the benefit of their experience in methods of prosecution under their Acts, which was of great benefit and was much appreciated by the Commissioners present.

What followed was a discussion of the proposals contained in our draft Act. As a result of that conference I can say that it was recognized by all present that in the province of Ontario we had developed a method of financing of both industrial and mining properties and that our function was not to change or reorganize that method but rather properly to bring it under control.

It was further suggested by the Commissioners present that what we finally decided upon in this province, by reason of the leadership which this province gives in financial matters, would probably be what other jurisdictions in Canada would do.

Under these circumstances the conference adjourned and I feel I can say that it was the opinion of everyone that the discussion had been extremely beneficial. I know that it was indicated quite freely to us that our proposals had considerable impact on those present, and certainly we enjoyed getting the benefit of their criticisms and suggestions made by the different Commissioners with regard to our proposals.

As a result of that conference and the suggestions we received there we revised our draft bill and brought in a fifth draft, and having done so, as we were approaching what we felt would be presented to the Legislature in the

form of a bill we again received delegations from all these bodies concerned so that we might have the benefit again of their practical criticism of the actual workings of the legislation. As a result we are prepared to present this sixth and final draft which is the bill introduced and now before the Legislature.

In the dealing with the principles of the bill, I feel that the hon. members of the Legislature could probably follow the discussion to better advantage if I took the principles in the order in which they appear in the report of the Mining Commission and then indicate in the case of each of those recommendations where it is followed in the legislation before us, and if not, to what degree the legislation modifies the recommendations contained in the report. The first recommendation was:

> "1. That the Securities Act and Regulations be repealed and that a new Securities Act be drafted consolidating certain provisions of the present Securities Act and Regulations and, in addition, containing the necessary legislation to make effective the recommendations of this Commission as hereinunder set forth."

That is precisely what has been done by this bill and by the Prospecting Syndicates Act of 1945, with the exception that I should say now and will indicate more specifically later that all the recommendations of the report have not been strictly followed.

The next recommendation was:

> "2. That the administrative authority under the new Act be a part time commission of three men, appointed by the Lieutenant Governor in Council, operating through a Registrar appointed by the Commission and responsible to same, and that the personnel of the proposed Securities Commission be chosen to include one member skilled in law, one member skilled in matters pertaining to dealing in securities, and one

> member skilled in the requirements and conditions of the mining industry including the financing of its development in Ontario."

In the bill before the Legislature that proposal has not been strictly followed. What has been substituted for that is a three-man commission. The legal member of it, instead of being part-time, will be full-time and will be the executive Commissioner. It is proposed that the other two commissioners will be selected, one from among those skilled in dealing in securities, and the other, as suggested in the Commission's report, from among those skilled in the requirements and conditions of the mining industry.

The next proposal was:

> "3. That the office of the proposed Securities Commission under the new Act absorb all records of the present Securities Commission, and that, in so far as deemed necessary or advisable by the proposed Securities Commission, the staff of the present Commission be absorbed by the new with additions to or changes in such staff as may, in the opinion of the proposed Commission, be deemed necessary for the proper enforcement of the provisions of the proposed new Act."

That is being followed. The next recommendation was:

> "4. That pending drafting and enactment of the proposed new Act the following recommendations be made effective under the authority of the present Securities Act. (This Commission strongly recommends that where possible this recommendation be made effective without delay.)

It so happens, Mr. Speaker, that that recommendation has not been followed for this reason, that upon examination it was found that the more significant and important proposals required legislation, and could not be done by order in council, and we did not feel that those engaged in the

business should be subjected to having to consider regulations of a temporary nature that might be changed by legislation within a matter of months, and so it was decided to bring the whole matter forward at one time,in the legislation.

The next recommendation was:

> "5. That under the proposed new Act provision be made for the following legislation and its enforcement by the Securities Commission acting through its appointed Registrar.
>
> "(a) The registration of all companies, syndicates (excepting the $10,000 Prospecting Syndicate as hereunder referred to), partnerships, brokers, salesmen or others who make a business of selling or offering securities for sale to the public."

Then follows 5(b):

> "(b) To allow application for registration to sell securities to the public only when satisfied, after study of the history of each applicant, with the integrity of such applicant."

That is what the Act proposes, and that is the present practice of the Securities Commission. Then follows 5(c):

> "(c) To refuse application for registration to any person, other than those persons of good integrity serving outside of Canada in His Majesty's Armed Forces, who has not been resident or domiciled in Canada for at least twelve consecutive months prior to date of application for registration unless, at the time of his application, such person is registered either as a broker, salesman or security issuer under the security laws of his state or province of origin."

That is being followed in the present bill.

Paragraph 5(c) goes on to say:

> "Where the broker making application for registration is a partnership these restrictions to apply to all the partners, and where the person seeking registration is a company, these restrictions

to apply to the directors and chief officers of the company, as now defined under Part I, Section 3, of the Regulations under the present Securities Act."

For purposes of clarity I should say that under the bill before the Legislature these people are not being registered individually. Instead of that they are all being considered as to their suitability for registration. At the time that a company or partnership makes application they must be considered suitable, and those who become partners subsequent to registration are not entitled to do business until the Commission has had the opportunity to investigate them. Then comes 5(d):

"(d) To refuse the application for registration of any person where it appears that such person proposes to use or is using a trading name other than his own, or that of his partner, or is calculated to conceal from the public the identity of the applicant."

Instead of literally following that recommendation of the Commission the bill contains a provision that the names of the companies and partnerships or persons trading under a name other than their own shall appear on all the stationery of the firm or partnership if they hold an interest of ten per cent or more in the business.

Then follows 5(e):

"(e) That, when directed by the Commission appointed under the proposed Act, the Registrar shall demand and insist upon any or all applicants for registration, within a specified time limit, to deliver a bond by a surety company approved by the Commission and in such amount as the Commission shall require, with provision made for the forfeiting of such bond when the registered party has been:

"(i) A party to civil proceedings in the courts as a result of which final judgment has been given against such party in connection with a trade in a security where such judgment is based upon a finding of fraud, or

"(ii) Where there has been filed with the Registrar a certificate of the Commission that proceedings by or in respect of the broker or salesman in respect of whose conduct the bond is conditioned have been taken under the Bankruptcy Act (Canada), or by way of winding up."

The provisions of the bill dealing with the disposal of the bond as a matter of fact go somewhat further than is proposed in the Commission's report. There is also provision made for the return of any unused portion of a bond, and also what there has not been up to now, a provision for terminating the bond when it is no longer required.

Then comes recommendation 6:

"6. Having established the above policy in regard to registration of brokers and salesmen, the records of the present Securities Commission should be carefully examined with a view to having all registrations conform with the requirements of the proposed new Act."

The bill as submitted contains, I think, in its final section, a provision for the review by the Commission of all brokers and salesmen who at present are registered.

That brings up a question about which I should say something now. A great deal has been said in certain quarters about the number of people who are registered in this province as brokers and salesmen who have criminal records. I have here exact figures and I think hon.members of the Legislature will be interested to know that here is the picture of total registrations as of January 29, 1945.

<u>Brokers registered</u>

Toronto Stock Exchange	77
Investment Dealers Association	47
New York Stock Exchange	2
Montreal Stock Exchange	7
Non-member brokers	225

There is a total of 358 brokerage registrations in the province of Ontario. Of this 358 there are approximately -- I

do not feel that I should disclose names -- 25 brokers who have some mark against them who would come in one or other of these categories. At some time in their life they have had a criminal conviction or they have had a case of making restitution at some time under the Act or they have been prosecuted under some of the provisions of our Act as opposed to the Criminal Code or there have been complaints about them from the United States or some other province. It might interest the hon. members to find that out of all those possible black marks, out of 358 brokers in the province, there are only 25 that have such blemishes.

My attitude has been this. All of these brokers had registration under previous administrations in this province. Most of them have been registered on and off for ten years or so. The simple fact is this, that one of my predecessors in office reviewed the initial applications and elected to decide, rightly or wrongly, that the broker in question, having regard to all the circumstances, should be given a licence. Whether that decision was right or wrong in the light of the circumstances that then existed, the fact is that if such a decision was made a number of years ago and since that time that man has been in business and there are no complaints about him, I believe sufficiently in British justice that I will not drag my pen through his name because there is public clamour I should do so, and as far as I am concerned the review of those registrations must take place under proper procedure and must be subject to appeal to a court in this province.

Coming to the salesmen, there are approximately 1,327 salesmen registered in the province and of those salesmen -- without repeating the whole story over again -- there are about 28 who have some mark of greater or lesser significance against their record, and they, too, will be reviewed

according to the rule of law and British concept of justice.

The seventh proposal is that registration be cancelled where fraud has been proven. That, of course, is a matter of practice under the Act and I will come to the proposed practice presently, but it is perfectly obvious that anyone holding registration, who has been proven to have committed fraud, should have his licence cancelled,and that will be the proposed practice.

> "8. The privileges extended to $10,000 Prospecting Syndicates, as presently defined under the Securities Act of Ontario, should be continued but made subject to the following provisions:
>
> "(a) Without the consent in writing of the proposed Commission, no $10,000 Prospecting Syndicate shall be filed or registered in which any of the organizers or promoters, directly or indirectly, are a party to the syndicate agreement when any such persons have been refused registration or have had their registration suspended or cancelled, as salesmen or brokers, under the provisions of the proposed new Act."

Before I comment on that I shall read the others that relate to it:

> "(b) That when securities of a $10,000 Prospecting Syndicate are to be sold to the public full disclosure shall be made to the prospective purchaser of all facts pertaining to the conditions and terms of the syndicate agreement, before sale is made, and such facts shall be filed with the proposed Registrar for the Commission before securities are offered for sale, and shall be made available on application to any interested party."

And continuing:

> "(c) That, subject to the following exceptions, selling of the syndicate securities shall be limited to members of the syndicate who can qualify as bona fide prospectors and do not make a business of selling securities to the public.

Note: For the purpose of this and other recommendations in this report a bona fide prospector is considered to be a person who engages in exploring for valuable minerals, or in testing supposed discoveries of same.

"(d) That where a salesman or broker who makes a business of selling securities to the public engages in selling securities of a $10,000 Prospecting Syndicate, he be subject to all the provisions of the proposed new Act covering salesmen or brokers."

These recommendations have not been literally followed in the proposed bill. Instead of that we havethe Prospectors' Syndicate Act whereby the bona fide prospector can organize and can sell units in as many $10,000 prospecting syndicates in any one year as he has property on which to base such a syndicate, providing he does two things: that he states in the syndicate agreement what the objects of the syndicate are, that is, the purpose for which it is to be organized, and, second, that there is disclosed in the syndicate any units issued to himself or any other person for a consideration other than cash.

With that having been done he can file his prospectors' syndicate as he has done in the past with the Securities Commission and he then may freely sell his units on delivery to the purchasers of units of a copy of the agreement that sets out the terms of the syndicate. Now, that leaves the prospector in the position that if he tells the truth in his agreement and it is for this purpose, then he is free to form and sell as many as he likes, but under the Act, any broker or salesman or anyone in the financial business who organizes such a syndicate or engages in the selling of such a syndicate, must comply with the full terms of the Act.

[illegible]

[illegible]

These [illegible]

in the proposed bill [illegible] syndicate Act [illegible] and can sell [illegible] in any one [illegible] syndicate [illegible] the syndicate [illegible] are, that is, the [illegible] and, second that [illegible] units [illegible] tion other [illegible]

With [illegible] syndicate [illegible] Commissioner [illegible] to the purchaser [illegible] sets out the [illegible] prospector in [illegible] agreement [illegible] and sell [illegible] any broker or [illegible] who organizes such [illegible] of such a syndicate [illegible] the Act

Now, what I have said there is directly contrary to the next recommendation that I will read in the report, which says:

> "(e) That no person shall be permitted to form or to participate in the formation of more than one $10,000 Prospecting Syndicate in any one calendar year, the securities of which are to be offered for sale to the public."

It was considered, however, that if the $10,000 syndicate was strictly limited to the prospector who is trying to raise money to prospect or to develop what he has already prospected, he should be freed from that restriction of one per year and that the public were adequately protected from the people in the financial business misusing such syndicates if they were brought completely under the Act and then it becomes unimportant how many of them are formed as long as they are sold according to the basis of the Act as if they were shares in a company.

> "9. (a) That a copy of prospectus as now required under the provisions of The Companies Information Act of Ontario shall be delivered to each purchaser of securities of an Incorporated Mining Syndicate with capital not exceeding $35,000 as defined in Regulations under The Securities Act, Part II, Section 6, subsection (5), when such securities are being sold or offered for sale to the public, prior to the time any primary sales transaction takes place."

That suggestion has not been followed in the bill. In the bill the $35,000 syndicate, which is incorporated under The Companies Act and really in effect is a little incorporated company, comes under all the provisions of the Act. So I will not comment on the prospectors provision of the Act at this date.

> "10 (a) That delivery of prospectus, in the form prescribed under The Companies Information Act of Ontario, be made a requirement at the time of transactions, and before completion of same, in all

Now, what [illegible] the next recommendation [illegible] Report, which says:

> "(a) The [illegible] shall be permitted to [illegible] the terms of [illegible] Prospectus Bulletin [illegible] last year, [illegible] to be allotted [illegible]

It was contended, however, that [illegible] was strongly limited [illegible] money on prospect or [illegible] be moved by fixed [illegible] that the public were [illegible] the financial [illegible] brought completely [illegible] perhaps how many of [illegible] act according to [illegible] in a company.

> "[illegible]

The [illegible] in the will the [illegible] The Companies Act [illegible] company [illegible] with a new company [illegible] this date.

[illegible]

primary sales of mining securities by persons registered under the proposed new Act."

At this point, I might say that the report then goes on to point out what primary sales are and primary sales are described as being:

"(b) Primary sales of securities shall mean and include:

(i) When sale is by or on behalf of a company or

(ii) By or on behalf of any underwriter or optionee or

(iii) On any cash purchase made with a view to resale to the public, or

(iv) Where such security was issued for consideration other than cash."

On examination of these recommendations there were one or two considerations that developed that made that hardly practical. Under that definition someone purchasing, for instance, a limited number of shares from an estate to resell to the public would have had to comply with all the prospectus provisions of the Act and so it was thought that what should be the subject of a prospectus would be shares coming from the treasury of a company, whether sold then or later, with the intention of distribution among the public, and also something that is not touched by this; that is, where a broker or dealer acquires flocks of shares of a company that substantially control that company and sells them to the public, they should be brought under the prospectus provision and so primary distribution has been defined in the interpretation section of the Act to meet the views I have just expressed. I will not give you a definition now because you can read it at your leisure for committee purposes.

I feel I should now come to what we have actually introduced in the bill to implement, I feel, in a very practical

way the prospectus recommendation, and here is what is proposed: under the present Securities Act the Commission receives, examines and consents to the sale of securities and whether the dealer or broker or salesman is prohibited from representing to the public that they are approved by the administration of the province at the time, the fact remains that unscrupulous people can so represent verbally without any possible chance of checking such representation, and therefore it is highly desirable that there should be removed from legislation of this province any thought that the administration approves any particular security. That is the first consideration. Therefore, the Act provides that in the case of a primary distribution, a statement giving material facts in the form required by the Commission must be filed with the Commission and where the company has been in existence for a sufficient length of time to have one, it must also file a balance sheet and profit and loss statement to show where it is financially, and if it is a mining company it must have a proper expert report on the property also filed.

What happens at that point is, instead of consenting to sale, the Commission proposes that it will examine that material and if that material is misleading or if that material fails to show that the sale of the issue will produce sufficient funds to carry on, to carry out whatever the objects were stated to be, or if it is felt that the statement is such as to conceal material facts, the Commission will not accept it for filing by the simple expedient of withholding its receipt and without that receipt for filing the security cannot be sold. The Act takes the concept one step forward. It appreciates that even on the most careful examination of these statements, etc., they must be filed,

that fraud may not appear until after filings have been received and receipt given, and at that point, for the very same reason that that Commission can refuse to accept by not giving its receipt, it can then stop a sale by an order. From both the refusal to give a receipt and from stopping further sale, there is an appeal by all interested parties -- first, to the whole Commission and then, second, to a judge of the Appeal Court. That is what the bill contains by way of implementing the suggested prospectus provisions contained in this report.

> "(c) That in all transactions where delivery of a prospectus is required such delivery shall be considered to have been made when
>
> (i) a signal acknowledgment of receipt of such prospectus has been obtained by the seller, or
>
> (ii) the required prospectus has been sent to the purchaser by registered mail prior to the completion of any transaction in the sale of securities."

If that construction had been adopted by the Act it would mean that presumably delivery of this statement would have to be proven in this way. The Act has left it open to prove delivery in any way that actually proves that the statement gets into the purchaser's hands and it leaves it to the broker or dealer to adopt whatever business practices he may decide to adopt which will enable him to prove delivery but the Act not only requires delivery but places the onus on the broker or dealer to prove that delivery has taken place.

I think I shall stick to the Act.

> "(d) Where a prospector sells securities issued to him by a mining company or syndicate, as a consideration for transfer of property, he shall disclose to the purchaser at

> the time of transaction, that the proceeds from such sale will not be paid to the treasury of the company."

I am going to leave that proposal until later and link it with the proposals that are made about escrow because they are dealt with according to another principle.

> "(e) That Sections 19 and 20, Part III, of the present Securities Act and Regulations, be embodied in the proposed new Act and extended to cover transactions in unlisted securities."

That has been done. I might briefly explain that any of you who have ever bought stock through an exchange will remember getting a confirmation which indicated on the form the stock, what quantity, the price and the commission and also from whom it was purchased. This suggestion merely means that a similar confirmation should go from the broker or the dealer of any security not listed on the exchange, whether he was selling them as principal or owner or whether he had bought them for the customer as agent, and that form of confirmation has been drafted and included in the statement.

Now, subsection (f):

> "That when any security is sold or offered for sale by any broker or salesman, or their representative acting as a principal, and when the proceeds from the sale of such security will not be paid to the treasurer of the company whose securities are being offered for sale, each purchaser of such security shall receive, at time of purchase, a written or printed statement, making full disclosure of the interest of the seller in the proceeds or from such transaction."

That is covered under the general prospectus provision of the new Act. I have already alluded to that matter.

No. 11 reads:

> "That Regulation No. 27 of the Securities Act of Ontario covering

> call at residence, in person or by phone, be extended to include long-distance phone calls or telegraph messages in or emanating from the province of Ontario, and that such regulation be rigidly enforced."

That Regulation, which is part of the law of Ontario, just as much as if it had been included in the Act, provided that no one should call within the province of Ontario, unless it was to a business associate or someone with whom the broker or dealer had been in the habit of carrying on security transactions.

That recommendation in the Act, as drafted, has been in part followed, but there have been other revisions of the section which I should mention. What has been done is this: The ban on calling at residences in the province, or calling by telephone, has been increased to represent a ban on the broker or dealer in Ontario calling anywhere by telephone a person, either within or without the province, unless he was a business associate, or someone with whom the broker had been in the habit of carrying on transactions. But then, on the other hand, the section has been modified and varied, I feel, to enable this, that when a broker, having arranged to provide material as required under the new Act, receives inquiries in writing, anywhere, as to information about the security, or with relation to that security, he may telephone or may call at a residence. Anything short of that, I submit, is an unreasonable and irrational restriction on the rights of a citizen in good standing to do business, when he has fully complied with the Act in every other respect.

No. 12 is in regard to the new shareholders' registry, and is not under the Companies Act or under this Act. It is being attended to in a bill to be introduced presently.

No. 13 reads:

> "That under the proposed new Act, the Commission shall be given full powers to investigate where there is a written, specific complaint of fraud in the sale or offering of securities for sale to the public, or, where directed to do so on written instruction from the Attorney General of Ontario."

That has been implemented by Sections 25 and 27 of the proposed new Act.

I feel that there I should indicate the difference in the two types of investigation. First of all, perhaps I should state what the investigation is about. This legislation is legislation designed to prevent fraud in the matter of trades in securities. It was never intended that the investigating powers under this Act should be utilized against people in business, to assist one side or the other side, by getting free examinations for discovery in civil actions having nothing to do with the trades in securities. So, in that respect, the investigating powers are limited to what they are intended to cover.

It is proposed that the investigation will arise in two ways: The first method will be a complaint by a member of the public, with relation to some specific trade or trades, about which that member of the public complains. Instead of that person having to come all the way to Toronto to have the Commission deal with the matter adequately, it is proposed to use the Crown Attorneys in all the judicial areas in this province, so that a person can go to the local Crown Attorney and swear his complaint.

At that point, one of two things may happen. If the complaint and the evidence that is then available will enable the Crown Attorney to proceed, then the Crown Attorney may proceed without any resource to the Commission at all, in

the usual and ordinary way. But, if it seems probable that an offence has been committed, and, in order to establish whether it has or not, an investigation seems to be desirable, under the Act, then the Crown Attorney will simply forward the complaint to the Commission, which will consider it for investigation.

Now, following that investigation, it is proposed that it be reported to the Attorney General, so that it will be disposed of on this simple basis, that if the investigation discloses an offence, either under the Criminal Code or under the Ontario Securities Act, there will be a prosecution ordered in the usual way. If, on the other hand, the investigation has disclosed no offence against either the Code or the Act there will be no duress or any other improper pressure placed by officials on the broker or dealer who has got a clean "bill of health" as the result of that investigation. That deals with an investigation that arises as the result of a specific complaint by a member of the public in relation to trades in securities.

The other section, No. 27, is designed to deal with these situations, that where the officials of the Commission have had brought to their attention, by reason of material filed, or by reason of advertisements appearing in the newspapers, or by reason of practices in general, when it seems that it is probable that any of these may be because of fraud going on, or breaches of the Act going on, then there is authority, under section 27, for the Attorney General to order such an investigation. That is why we have the two sections -- one to deal with a specific complaint on the part of the public, and one to deal with general conditions, but both of them limited to offences under the Securities Act and the Criminal Code.

Section 14 reads:

> "That the finding of fraud be followed by rigorous prosecution."

That, of course, cannot be a statutory provision. It is a question of practice, and I might say that the present practice of the Commission is to prosecute for criminal fraud.

Section 15 reads:

> "That provision be made under the proposed new Act requiring separate registration of all so-called investment counsellors who, through circulars or other media, advise the public regarding purchase or sale of securities. That such registration be allowed only after the personal interest of the applicant in any security, the purchase or sale of which he may advise or suggest, has been disclosed, and that a condition of continued registration shall be the disclosure of such personal interest at all times, when requested by the Commission."

That is the recommendation that is directed against people putting out "tipster" sheets, who are putting themselves in the position of, for compensation, holding themselves out as disinterested advisers, having no conflict of duty and interest with regard to the person they are advising, and it requires these people to be registered in their practice, to conform with the old common law principle that no person shall constitute himself an adviser to somebody else unless he fully discloses any interest which might be adverse to the interest of the person being advised. It is proposed, therefore, to now bring in registration under that section, to classify and include the people who give investment counsel for hire, and to see that under the regulations of the Act they will comply with the very salutary regulations we have, which cover, we believe, all fiduciary or trust relationships.

Under the statute itself, we have, in fact, gone a little further than that recommendation. There is a section in the Act which requires that where anyone in a financial business puts out advice with relation to securities, they are required, either in writing or by circular, where the advice is given, to indicate that they own that stock and are not acting as agents, but as the principal, and trying to sell it to somebody, and that it shall be so indicated either at the time the circular is issued or in writing before the trade in securities is consummated, and again, the penalty under the Act is precisely the same penalty as for failure to deliver a prospectus, namely, that the purchaser has the right to rescind the transaction and the onus is on the broker in that case. He shall prove -- which is a simple thing to do if he states it in a circular or a simple thing to do if he puts it in writing -- that he has disclosed that he is acting as the vendor.

That is nothing new, although it is considered by some people in the investment business as being an entirely new theory.

The law is always open, and has always been open, to being enforced in this fashion in the civil courts, where any member of the public believes he has employed somebody as an agent and instructs him as an agent to do something for him for a commission, the agent owes the member of the public the very best duty he can perform. If he is a broker on the Exchange, he may not accept, in law, an order to sell at a price, or an order to buy at a price; irrespective of those orders, he still has a duty to the member of the public, that if he is instructed to sell at "X" dollars he is still bound to go on the Exchange and

Under the act the [illegible], [illegible] not, [illegible] a little further than what recommends [illegible] section in the Act which requires the [illegible] in a financial business [illegible] advice [illegible] securities, they are required, either [illegible] or by circular, where the [illegible] own that stock and [illegible] principal. [illegible] shall be [illegible] issued or in [illegible] consummated, and [illegible] is totally the same penalty as [illegible] peotus, namely, [illegible] the transaction [illegible] He shall [illegible] states it in [illegible] it in writing [illegible] the vendor.

That is [illegible] some [illegible] new theory

The law is [illegible] being enforced [illegible] any manner of the [illegible] as an agent [illegible] for him for [illegible] public the very [illegible] broker or the [illegible] order to sell [illegible] irresponsible [illegible] member of [illegible] "X" [illegible]

sell for the best price he can get. That is his duty to his client. If his instructions are to buy at a price, it does not mean that he must pay the price he is authorized to pay; he must go on the Exchange and buy the stock at the cheapest price at which it is obtainable on the Exchange. Those are salutary rules at common law, and it is high time, in this province, that people who hold themselves out as brokers, and act as principals, should be obliged to observe the law and the Securities Act, and should be required to disclose to members of the public that they, in fact, are proposing to act in the best interests of the member of the public. We have embodied that principle as well in the Act.

Now, here are some things the Commission should not have the power to do. It should not have the power (a) to demand or sanction the making of restitution where fraud in the sale of securities has been found or admitted. With that suggestion I completely agree, and that suggestion has found expression in the present Act. The reason for it is obvious. No Securities Commission can obtain from a broker or dealer restitution for a member of the public unless it is a condition of that restitution that they remain in business, and remain licensed. So what happens in nine cases out of ten where restitution is made the offence is overlooked, restitution is permitted and the broker or dealer continues in business, and perhaps in order to effect that very restitution he goes out and indulges in precisely the same practices all over again. He should either abide by the provisions of this Act or get out of business. The proposal under this Act is that where a broker or dealer is fraudulent or offends against this Act, he shall be prosecuted in the same fashion as if he had

broken any other law of the land. This Act contemplates there shall be no more condoning of an offence. If restitution is made in the same way as in many other cases, and has a bearing on what sentence or fine the judge may see fit to impose, that is the place to do it and not in our Securities Commission.

Subsection (b) reads:

> "Regulate the financial set-up of companies, partnerships or syndicates, or regulate the proportion between vendor and treasury shares."

That, perhaps, is not fully implemented. I must say that I am not prepared to hold myself out to this Legislature as being an expert on this subject. Anything that I may appear to know about it now, I merely learned in the course of considering these recommendations, and dealing with the people re the bill. But I can say this about the proposal to escrow; that since this Commission has reported I have yet to find one public body interested in this proposed Act and its administration advise me that we could safely abandon the escrow of vendor shares by mining companies. Those shares which, by reason of the fact that the project has little value until value is produced as a result of its development, are always large, and if they can all come on the market at the time when the treasury of the company is being financed, it would seem that the financing of the development of properties would be retarded. What the Commission should do -- and it is for the benefit of the bona fide prospectors -- is that under the authority it has, it should refuse to accept filings unless satisfactory escrow or pooling agreements are received, and the Commission should see to it that there are a legitimate and proper number of free shares

go to the prospector at that time, which will enable him to realize some reasonable part of the result of his labours, and which will provide him with funds to enable him to continue his prospecting activities, and leave free shares for the benefit of the bona fide prospectors, and that is what is contemplated in this legislation.

Subsection (c) reads:

> "Interfere in agreements between private parties or limit the rights of persons to contract between themselves."

I feel interference with the right of contract, which I have indicated, is the one I have already indicated in the question of escrow, and also which I have indicated as being a reason why the Commission might refuse to give its receipt for the filings which would enable sales to take place, and that the refusal to give a receipt where it is obvious from the material filed that if the stock is not sold the company cannot carry out the objects of the issue.

I will give you one simple example. The attitude of this Act is this: if filings are made before the Commission which indicate that the sole purpose of the issue is to take a piece of property that may have certain geological formation, but no proof, and the sole purpose is to sink one diamond drill hole, if that is the stated purpose for selling some securities to the public, then I am prepared to dispose of it on this simple principle. If they say, "Our object is to drill one diamond drill hole," then they have to indicate that if the shares are sold as proposed, the proceeds will come into the treasury in sufficient amounts of money to drill that hole, so that the people who buy that stock on the consideration that the

hole be drilled, will at least have their speculation and have the hole drilled. There the Securities Commission will have a definite job to do, which can be done under the simple rule of law, that is not one intended to interfere with the contract.

Subsection (d) reads:

> "Regulate the price of mining securities. The price should reflect the value the public place on securities."

I might say that is a question about which there is a very substantial difference of opinion. A number of the Securities Commissioners throughout Canada have been endeavouring to do just that. What they have apparently forgotten is this, that it is impossible for a Commission to regulate, or to have any sound judgment with respect to, the price at which an issue of mining shares may be sold. To-day shares are being sold at a basic price with the idea of doing some development work. Some money comes into the treasury; the development work in a modest way proceeds; the diamond drill goes down; it strikes ore; thereupon the public attaches a value to those shares, and no Commission can rule that those shares shall be sold at a price. The nature of mining property varying so rapidly fixes the value of those shares, so that it becomes a theoretic proposition which sounds very nice, but is a practical impossibility, and it is the fact that certain Securities Commissioners to-day in Canada are trying to uphold such a rule, that companies are being formed in Ontario to finance developments in other provinces; it is the very reason why the brokerage business is done here; it is the very reason why money is sent in from other provinces to the province of Ontario to finance properties situated elsewhere, and that will be the case until this

absurd thing is abandoned, and we have no intention of submitting to this Legislature an attempt to regulate the value of shares by a Commission.

Subsection (e) reads:

> "Order escrowing of vendor shares."

I have indicated, Mr. Speaker, that the Government in submitting the bill is not agreed that the escrowing of vendor shares can be safely abandoned. We feel that must be left to the discretion of the Commission, where we may try to have the public reach a reasonable agreement, submit it to the Commission, and if this agreement should be reasonable, to see that in relation to mining shares sufficient is provided to the prospector so that he may receive a reasonable proportion of the vendor shares of the company.

Subsection (f) reads:

> "Insist in all cases upon absolute title to properties being held by mining organizations financing exploration or development of mining properties, through public sale of securities -- requirements for title to be at the discretion of the Commission or its representatives."

And the same applies to industrial organizations. One of their legitimate purposes for raising money is acquiring property, both mining and industrial, and the Act has taken this proposal into account, and recognizes that the way to control that aspect is on the other simple rule I have stated. If the object of the issue is to acquire certain properties, then it should be evident to the Commission when the sale is allowed to go forward that the issue for sale is to acquire the property, and that, I feel, is quite a satisfactory protection, and the present rule is quite unnecessary if the other one is introduced and enacted.

Mr. Bidwell

Subsection (g) reads:

> "Set up any regulations which are not incorporated in the proposed Act or approved by the Lieutenant Governor in Council, and that any regulation so approved shall also be approved by the Legislature within thirty days, or if the Legislature is not then sitting, within thirty days after the opening of the next following session, and shall be incorporated in the Act."

When that proposal was made the Royal Mining Commission, of course, was ignorant of the fact that we would have in Ontario an Act called "The Regulations Act." I, however, wish to say this to hon. members, that I am completely in accord with the principle stated, that where the experiences of the Government and the Legislature have proceeded to a point where legislation can be crystallized into a statute, it should not be found in a series of regulations; it should be carried into the statute. The proper field of delegated legislation under a statute is to prevent regulations to be made with regard to those things which will be variable under the statute, and which are necessary to prescribe from time to time under the statute. But the important substance of law in so far as it can be crystallized, should be found in the statute itself, and I feel that hon. members will find that that is so in relation to the present Act.

Now, in view of that fact, I would suggest to hon. members that they themselves can read the remainder of the report. It has not been implemented, for reasons I have stated. It goes on about releasing present shares in escrow, and so on, with the exception of the final one which I will read, and that is:

> "Full provision should be made in the proposed Act for direct appeal to the courts from all rulings

or decision made by the Commission or its representatives under the proposed Act."

Well, with regard to anything in the statute, any order or ruling that the Commission makes, what happens is that ruling is made in the first place by the Executive of the Commission. Then there is a review, if so desired, by the person affected, by the entire Commission, and if he is not then satisfied, under this Act he can go to a judge of the Court of Appeal on a record, and I feel that the appeal sections of the Act as submitted will commend themselves to hon. members.

There, Mr. Speaker, are the proposals in the Royal Commission's report, and I have indicated to you the degree to which these proposals are implemented by the present Act.

I now have a series of principles that are also incorporated in the Act, but which are not found in the Royal Mining Commission's report. As these principles, and as the proposed practice of this Commission, will take me a little longer than the next few minutes to deal with in principle, I will suggest to the Legislature that I discontinue at this point what I have to say on second reading, as I have come to a very logical dividing point, and with your permission I shall resume when we return to second reading.

I move the adjournment of the debate on second reading of Bill No. 41.

Motion agreed to and debate adjourned.

MR. SPEAKER: Orders.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I think this may be a good time to move the adjournment of the House.

HON. E. B. JOLLIFFE (Leader of the Opposition): Would

the hon. Prime Minister indicate or confirm the business for to-morrow?

MR. DREW: We shall proceed with the debate on the Speech from the Throne subject always to what may arise before. I do not mean what may be introduced by us, but introduced elsewhere in the House.

MR. A. A. MacLEOD (Bellwoods): Mr. Speaker, I wonder if the hon. Prime Minister would indicate whether it is the Government's intention to hold night sessions this week.

SOME HON. MEMBERS: No, no.

MR. DREW: Mr. Speaker, I shall announce that in ample time for the Legislature. I have not taken that into consideration as yet.

Motion agreed to and the House adjourned at five o'clock p.m.

(Page 740 follows)

THE LEGISLATIVE ASSEMBLY

FOURTEENTH DAY

Toronto, Ontario,
Tuesday, March 6, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

MR. JAMES de C. HEPBURN (Prince Edward-Lennox): Mr. Speaker, I beg leave to present from the standing Committee on Private Bills their first report, and move its adoption.

CLERK OF THE HOUSE: Mr. Hepburn (Prince Edward-Lennox), from the standing Committee on Private Bills, presents the first report of the Committee, as follows:

"Bill (No. 2), An Act respecting the Town of Barrie.

"Bill (No. 6), An Act respecting the City of Woodstock.

"Bill (No. 8), An Act respecting the Incorporated Synod of the Diocese of Niagara.

"Bill (No. 10), An Act respecting the Evangelical Lutheran Seminary of Canada.

"Your Committee begs to report the following Bills with certain amendments.

"Bill (No. 3), An Act respecting the City of Welland.

"Bill (No. 11), An Act respecting the City of St. Thomas.

"Your Committee would recommend that the fees less the penalties and the actual cost of printing be remitted on Bill (No. 8), An Act respecting the Incorporated Synod of the Diocese of Niagara, and Bill (No. 10), An Act respecting the Evangelical Lutheran Seminary of Canada, on the ground that they relate to religious institutions.

"Ordered, That the fees less the penalties and the actual cost of printing be remitted on Bill (No. 8), An Act respecting the Incorporated Synod of the Diocese of Niagara, and Bill (No. 10), An Act respecting the Evangelical Lutheran Seminary of Canada, on the ground that they relate to religious institutions."

Motion agreed to.

MR. SPEAKER: Further reports.

MR. HARRY A. STEWART (Kingston): Mr. Speaker, I beg leave to move the second report of the standing Committee on Standing Orders and move its adoption.

CLERK OF THE HOUSE: Mr. Stewart (Kingston), from the standing Committee on standing orders, presents the second report of the Committee, as follows:

"Of the Ontario Music Teachers' Association, praying that an Act may pass authorizing a change of name to the Ontario Registered Music Teachers' Association, and authorizing the passing of by-laws respecting the government of the Association.

"Of the Corporation of the City of Ottawa, praying that an Act may pass authorizing a change in the Constitution of the Board of Governors of the Royal Ottawa Sanatorium.

"Of the Corporation of the City of Peterborough, praying that an Act may pass authorizing the establishment of a body to be known as the Peterborough Memorial Community Centre and the issue of debentures to raise $75,000.00 to aid in the construction of the first unit of such Centre.

"Of the Corporation of the City of Peterborough, praying that an Act may pass authorizing the establishment of a Civic Hospital and the issue of debentures to the amount of $600,000.00 in connection therewith.

"Of the Corporation of the City of Kingston, praying that an Act may pass authorizing the establishment of a Community Centre and a variation in the terms of a contract for rental and sale of property to Hield Bros., Limited.

"Of the Corporation of the City of Port Arthur, pray-

ing that an Act may pass authorizing the issue of debentures to the amount of $175,000.00 to aid in financing an extension of the General Hospital of Port Arthur.

"Of the Corporation of the Village of Swansea, praying that an Act may pass authorizing the said Corporation to purchase a certain water main on Ellis Avenue from the City of Toronto and to purchase certain waterworks plant from the Township of York.

"Of the Corporation of the Township of Crowland, praying that an Act may pass authorizing the Petitioners to make a grant of $10,000.00 out of its surplus funds to the Welland - Port Colborne Health and Recreational Centre.

"Of Branch No. 51 of the Canadian Legion of the British Empire Service League, praying that an Act may pass vesting in the Petitioners the title to certain lands in the City of Niagara Falls.

"Your Committee recommends that Rule #63 of your Honourable House be suspended in this that the time for introducing Private Bills be extended until and inclusive of Wednesday, the 14th day of March next.

"Ordered, That the time for introducing Private Bills be extended until and inclusive of Wednesday, the 14th day of March next."

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of bills.

MR. ARTHUR WILLIAMS (Ontario): Moved by myself and seconded by Mr. Riggs (Windsor-Walkerville) that leave be given to introduce a bill intituled "An Act to amend the hours of work and vacations with pay Act, 1944," and that the same be now read for the first time.

Motion agreed to and bill read the first time.

HON. CHARLES DALEY (Minister of Labour): Would the hon. member elucidate a little bit?

MR. WILLIAMS: The intent of the bill is merely to provide greater clarity in the interpretation of the present bill, as well as to provide two weeks' holiday with pay instead of one week.

MR. ROBERT LAURIER (Ottawa East): Mr. Speaker, I beg leave to move, seconded by Mr. Oliver (Grey South), to introduce a bill intituled "An Act respecting the Royal Ottawa Sanatorium", and the same to be read for the first time.

Motion agreed to and bill read the first time.

MR. HOWARD E. BROWN (Welland): Mr. Speaker, I move, seconded by Mr. Robinson (Port Arthur), that leave be given to introduce a bill intituled "An Act respecting the Township of Crowland".

Motion agreed to and bill read the first time.

MR. CHARLES A. STRANGE (Brantford): Mr. Speaker, I move, seconded by Mr. Connor (Hamilton East), leave be given to introduce a bill intituled "An Act to amend the Venereal Diseases' Prevention Act, 1942," and that the same be read the first time.

Motion agreed to and bill read the first time.

MR. CYRIL OVERALL (Niagara Falls): Mr. Speaker, I move, seconded by Mr. Riggs (Windsor Walkerville), that leave be given to introduce a bill intituled "An Act Respecting the Canadian Legion of the British Empire Service League, Branch 51", and that same be read the first time.

Motion agreed to and bill read the first time.

HON. GEORGE H. DUNBAR (Provincial Secretary): Would the hon. member give us an explanation, or what is the intent?

MR. OVERALL: The intent is to convey the ownership of certain lands on which the clubhouse stands. At the present time there is a question as to in whose hands the ownership should lie, and there has been, for some time, an argument or some confliction of opinion as to whether or not the City

of Niagara Falls should own the lands and they should be tax-free or whether the Legion itself should have ownership of these lands, and this Act intends to clarify that agreement.

MR. HAROLD R. SCOTT (Peterborough): I move, seconded by Mr. Stewart (Kingston), that leave be given to introduce a bill intituled "An Act respecting the City of Peterborough", and that same be read the first time.

Motion agreed to and bill read the first time.

MR. FRED. O. ROBINSON (Port Arthur): I move, seconded by Mr. Brown (Welland), that leave be given to introduce a bill intituled "An Act respecting the City of Port Arthur", and that same be now read the first time.

Motion agreed to and bill read the first time.

MR. WILLIAM DENNISON (St. David): I would move, seconded by Mr. Harvey (Sault Ste. Marie), that leave be given to introduce a bill intituled "An Act to amend the Public Health Act", and that same be now read the first time.

Motion agreed to and bill read the first time.

MR. DENNISON: I would like to explain that this bill will give the local Medical Officer of Health the right to say when a furnace in a home is in a bad condition or whether the furnace emits gases inside a building, that might have a bad effect on the health of the inmates of that building, and, also, he may state, if a furnace burns refuse and gives off offensive odours, that that is a nuisance under the section of the Health Act. And, further, the bill would allow any local School Board to have medical treatment of pupils, as well as the mere inspection, as they now have in the case of dental treatment and inspection.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, not having seen the Act, I am unable to make any statement, but I wish to reserve that for a later date. I would like to point out, however, that in school programmes concerning dental care, or school child programmes, the province contributes certain sums of money from time to time. The question whether the proposal of the hon. member is in order, - I wish to reserve my statement on that.

MR. FRED.O. ROBINSON (Port Arthur): I move, seconded by Mr. Brown (Welland), leave to introduce a bill intituled "An Act to amend the Public Health Act", and that the same be read now the first time.

Motion agreed to and bill read the first time.

HON. R. P. VIVIAN (Minister of Health): May we have an explanation?

MR. FRED. O. ROBINSON: The Act would simply, Mr. Speaker, enable Boards of Health in cities of four thousand, or over, population to have a representative from the Board of Education sit on the Board of Health.

I think, in view of the fact school children are receiving more and more attention as to their health, there becomes more need for a tie-up between the Board of Health and the Board of Education.

MR. SPEAKER: Further bills.

MR. HARRY A. STEWART (Kingston): Mr. Speaker, I move, seconded by Mr. Scott (Peterborough), that leave be given to introduce a bill intituled "An Act respecting the City of Kingston", and that same be now read the first time.

Motion agreed to and bill read the first time.

MR. HAROLD R. SCOTT (Peterborough): Mr. Speaker, I

move, seconded by Mr. Stewart (Kingston), that leave be given to introduce a bill intituled "An Act respecting Peterborough Civic Hospital", and that same be now read the first time.

Motion agreed to and bill read the first time.

MR. CHARLES H. MILLARD (York West): I move, seconded by Mr. Casselman (Nipissing), that leave be given to introduce a bill intituled "An Act respecting the Village of Swansea", and that the same be now read the first time.

Motion agreed to and bill read the first time.

(Page No. 747 follows.)

MR. SPEAKER: Orders of the Day. The hon. Minister of Public Works.

HON. GEORGE H. DOUCETT (Minister of Public Works: Mr. Speaker, the other day, in my absence, the hon. member for St. Andrew (Mr. Salsberg) made a statement regarding the Public Works employees of this government, and I would just like to correct that statement, and say that during the last two years or more the male married workers on the cleaning staff received $1,445.00. Now, those are the permanent workers; and, as in other departments, if there is a little extra work to be done, the employees do it. I have heard no complaint from them. And that is the case for the Department of Public Works as well as for the Department of Highways. They get leave of absence or sick leave, and are paid for it. They also get their weeks' holidays with pay. The unmarried men get $1,275.00; married women, $873.00; and unmarried women, $ ~~[illegible]~~. 775.00

I might say that the day workers get the same rate of pay as the night workers. The day workers work 44 hours a week, and the night workers 35½ hours. Woman, 27 hours. But I mention in regard to night casual workers. The casual workers get paid for every hour they work and their rate of pay was increased on April 1st, 1944, for men from 60 cents to 65 cents per hour; women, from 45 to 50 cents. And, as I said, regardless of whether it is 27 or 37o they get paid at that rate.

Now, there is another point which I would like to correct, which is quite in error. He states, "I am sorry to say that this group has addressed a letter to the Hon. Minister of Public works (Mr. Doucett) in January to which he has not replied." I say that this is quite in error, false and untrue. I never received a letter, nor did any member of my Department receive a letter, from that group. That is

all I have to say. And I hope this will correct that false statement.

HON. CHARLES DALEY (Minister of Labour): Mr. Speaker, yesterday the Hon. member for North York (Mr. George H. Mitchell) directed a question to me in regard to some men in North York who had been dismissed from their work on but a very short notice, -- two hours notice. I find that these men are in the construction industry, and the regulations setting out seven days' notice from either employees or employers, does not apply to the construction industry. You can quite understand that many things in the construction industry may not last seven days. However, I have taken this matter up with both the company and the Union and they are in entire agreement that no rules have been violated, and that the company has established a practice under the Holidays with Pay Act and the Stamp Scheme, and these men get the stamps for the work they do. And there have been no regulations violated in this case.

MR. GEORGE H. MITCHELL (North York): Mr. Speaker, may I call the Minister's attention to the fact that these men have made a statement accompanied by their signatures. One is a valve fitter, and another is working on water governors. That does not sound like construction work to me.

HON. CHARLES DALEY (Minister of Labour): It is construction.

MR. SPEAKER: Orders of the Day.

HON. GEORGE A. DREW (Prime Minister): The first Order.

CLERK OF THE HOUSE: Resuming the Adjourned debate on the amendment to the motion for the consideration of the Speech of the Honourable the Lieutenant-Governor at the opening of the Session. Mr. Drew.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker,

before I resume my remarks on the debate, may I on behalf of the members on this side extend a cordial welcome to the Hon. member who has returned to his seat showing that there is no injury suffered from limited diet. In fact, I think he is looking better than I have seen him for a long time. We only hope that the experience he has had and the contacts he has made will provide some source of interest to the members during the session that follows.

Now, Mr. Speaker, I do not propose, in spite of the fact that there already have been divisions in this address, to attempt to cover the whole field of the remarks of the Hon. leader of the opposition, because actually there will be an opportunity, under other proceedings, to deal with most of the subjects that he raised in a fairly comprehensive and, I might say, not unduly complimentary analysis of the program which succeeded our taking offices.

In his address, the leader of the opposition placed some emphasis on the fact that our undertaking, which happened to be the first point in our program, to maintain British Institutions is not met merely by establishing closer business and other contacts of that nature in Britain with Canada's senior partner.

It is surprising the number of times in which I am in complete agreement with the leader of the opposition, and this is one of them. I could not agree more heartily than I do with that statement. The maintenance of the British connection and of British institutions are separate and distinct subjects for discussion.

The leader of the opposition said that one characteristic of British institutions is a supremacy of Parliament. With that also I agree. I have made it clear, and so that there

will be no doubt I repeat that we recognize the full authority of this Legislature to determine whether or not we continue to govern with the Legislature constituted as it is. That decision will rest with the Legislature, not with us. Recognizing British institutions, as we do, we will accept the decision of the majority of this Legislature, -- naturally, we will accept that decision, -- as to whether or not it is their wish that we continue to govern.

But the government has an obligation to this Legislature and to the people of Ontario for guiding the course of business in this Legislature, and also for the legislation which is adopted. That also is an accepted part of British parliamentary procedure and is an established part of the constitution of British government.

The course which is being followed by some of the members in this Legislature does suggest the desirability of restating our position once again. We believe that nothing should turn the attention of this body in the business that is done and nothing should divert public attention from the conduct of the war, and we believe that nothing should lessen the atmosphere that goes with acceptance of all that that implies. We believe that it is not the wish of the people of Ontario to have an election when the main concern of every thoughtful person is the welfare of our fighting men and women, and the hope of early victory which will bring them back to us. That was our position prior to the last election. As leader of the Opposition at that time, I agreed on behalf of the Opposition to an extension of the life of this Legislature, and I indicated quite clearly that we were prepared to extend its lifetime during the continuation of the war; and that agreement met with the approval

of all whom I was associated. We intimated that we were willing to continue that course under that arrangement, but my predecessor in office decided otherwise and refused, as was his right.

MR. HARRY C. NIXON (Brant): Mr. Speaker, may I ask a question? Did not every conservative member of the Legislature vote against that extension?

Mr. DREW: Under the circumstances which existed. Under the dircumstances which had previously existed we were willing to continue that arrangement; but circumstances had arisen in the meantime which made it quite different. I do not need to make any distinction between the present leader of that group and the man who was the former Premier of Ontario. But at the time that the Premier who is now leader of the Liberal group had stated his position, that was acceptable to us, and we expressed our willingness to have continued that arrangement. After that time, the position seemed to be a little different, both between the leader of the Liberal group and the gentleman next to him.

MR. NIXON: But up to that time there was that agreement?

MR. DREW: Yes, under the conditions existing.

MR. A. WILLIAMS (Ontario) Mr. Speaker, when that agreement was made, was there any public announcement of it?

MR. DREW: The member was not here at that time. There had been a change of Premiers, --as a matter of fact, there had been two Premiers within three months.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): Three of them.

HON. GEORGE A. DREW (Prime Minister): Yes. I do not question the fact that under the circumstances, which were well known to the Hon. member for Brant (Mr. Nixon) we changed our position. We assumed office as leader of the government because we believed it was the opinion of the country that there should be no election. We believe we have governed in a way that meets with the approval of the great majority of the people of this Province; because we accept the supremecy of the Legislature. Unless we have the support of the majority of this Legislature we will have no choice but to follow the usual course of procedure. Any other course would be contrary to the established institution and would be contrary to the best interests of the people of Ontario.

The leader of the Opposition has said that the will of the majority must govern. That was our believe at the time we assumed office, and it is our opinion today and we will act accordingly.

There is another clearly established principle of British Parliamentary practice, and that is the responsibility of members for statements they make in the Legislature. This is not the place for political attacks and counter attacks. I am not going to repeat the extended discussion which has taken place already about the merits of our party, which has nothing to do with the business of the Legislature here. It is the desire of the government to conduct the business of the Province of Ontario in a manner which is in keeping with the seriousness of the business of the days through which we are passing. Most of the members of the Legislature, including the leader of the opposition, have co-operated wholeheartedly in that course. But there are others who have

not; and the government would have no choice but to take appropriate action if any concerted effort should be maintained to disrupt the orderly despatch of business in this Legislature. The rattling of dead bones and the satisfaction of personal vendettas may have their place on the hustings but they have no place here where the business of the people of this Province is being conducted.

The leader of the opposition has very properly asked what we would do at a Dominion-Provincial conference. I can answer that very simply; and I point out that our course in connection with a Dominion-Provincial conference has not been any new course adopted since we took office, but was the course followed for sometime prior to that, when many of the members here were members of that group. Now, please let us have that quite clear. The Hon. member for Brant (Mr. Nixon) has quite truly stated the course we followed, when there was a change in the Premiers. The previous premier had followed a course that did command respect and continued support of the members of this Legislature, particularly in regard to the continuation of the course of the war. Changes took place which it is not necessary to review in detail, unless there is any call to do so. But we, long before the time that an election was called, introduced resolutions asking that there be a Dominion -Provincial conference, and that the Dominion-Provincial conference should be called for the purpose of establishing the basis of our co-operation between that government and ours.

There are many fields of legislative activity which lie very clearly within provincial authority and under which new obligations must be assumed which can only be undertaken following a readjustment of the taxing powers of the different

governments. There are many post-war activities, particularly rehabilitation and reconstruction which called for the joint action of the Dominion and Provincial governments.

It is our desire to combine the full legislative powers of the Dominion and Provincial governments, in the best interests of the people of Ontario and of the whole of Canada, in such a way that plans for joint action may be established upon the firmest possible foundation, and that no subsequent constitutional disputes may upset the arrangements made in that way.

In doing that, we will remember that we are the trustees of the rights of the people of Ontario, and that any agreements which are reached and any plans which are made must respect the fundamental rights which were assured to us at Confederation.

As I have already stated in this Legislature during the Session, we will approach these problems as we will approach any other problems, with the recognition of the fact that we are, first of all, at all times Canadians, and that the happiness and prosperity of the people of this Province depend upon the growing happiness and strength of the whole of Canada.

In spite of anything that may have been said to the contrary, every request we have made for a Dominion-Provincial Conference has been couched in terms of the utmost courtesy. The personal attitude of any member of this government toward any member of the Dominion government, or of any other government in Canada, has nothing whatever to do with the wisdom of holding such a Conference, now does it offer the slightest justification for delay in arranging a meeting which is sl vitally necessary.

I should add one thing more. We have made it clear that we do not believe all our problems will be solved at any one meeting. A year ago I proposed the setting up of a Dominion-Provincial Joint Planning Committee. It has been said that we failed to co-operate with the Dominion Government in requests which were made for assistance and information in preparing for such a Conference. Nothing could be farther from the truth. We furnished every single fact and all statistical information called for in preparing for the Conference. Our records, however, are here in Toronto, not in Ottawa, and we did take the position that we could furnish any information which was required very much better from here than through an official sent to Ottawa who would not have all the records with him. No province co-operated more fully, and it should be recalled that it was upon the request of this Government that the invitation went out to the other provinces to join in such a Conference. That was clearly established by the fact that in writing to the provincial Premiers, the Prime Minister of Canada enclosed a copy of my letter to him setting out the purpose of the Conference. These facts should be placed upon the records in view of statements which have been made. So complete was our effort to co-operate that on the very day when the Prime Minister of Canada announced that there would be no Conference until after a Dominion election, the Provincial Treasurer was in Ottawa for the very purpose of assisting in completing certain essential details. I should also recall that in the reason given for delaying the Conference which had been promised, the Prime Minister of Canada did not place his refusal to call the Conference upon any such basis, but

placed it upon the ground that in a speech a short time before I had left no doubt that I believed it would be in the best interests of the people of Canada that we have a new Prime Minister at Ottawa. While my conviction in that respect has been strengthened by succeeding events, it was no ground for refusing to meet the other governments in a general discussion of those things which are necessary to bring together in a combined effort -- and it certainly was no lack of co-operation or no unwillingness on our part to combine the full legislative authority of all our governments.

Now that it is evident that a Dominion election is still some distance in the future, the need is mor urgent than ever for a Dominion-Provincial Conference, or at least for a meeting of Premiers which I suggested as an alternative three weeks ago -- a suggestion which, I may say, meets with the approval, I believe, of every other Premier in Canada. I do not believe there can be any excuse for postponing such a meeting until next fall, which would now be the very earliest that it could take place if nothing is to be done until after a Dominion election. I can only repeat with the utmost emphasis what I have said on several occasions. We may face disastrous consequences in many fields of public activity, unless plans have been made before the end of the war for some joint action by the Dominion and the Provincial Governments in all those vitally important activities in which they have a common interest.

From some remarks which have been made in this Legislature, it seems possible that some of the members are not yet aware of how many questions which have to be decided

by joint action of the Conference and which do depend upon such a meeting. First of all there is the fact that each of the provinces has transferred to the Dominion Government its most important taxing powers so that the financing of Canada's war effort could be carried out most effectively. When the war ends, those agreements will also come to an end, and each of the governments should know before that time just what taxing structure is to be set up to meet the obligations which the governments must assume. It is all very well to say that the solution of problems connected with social security and the personal happiness of our people will not be found in any mere readjustment of taxing powers. That is true. But it is essential that we know which government is going to do each particular job and how the money is to be raised to do it.

Apart from the readjustment of taxing power and agreement as to the way in which social services can best be handled, there are a number of other very important subjects upon which it is of the utmost importance that there should be full agreement before the end of the war. Let me give just two examples which will show how necessary it is that preliminary discussions at least begin without further delay.

Let me take the case of immigration. It has been said by some that immigration is a subject with which the provincial governments have no concern. The fact is that, both in law and practice, the provincial governments have a great deal to do with immigration. By the British North America Act, the Provincial and Dominion Governments were given concurrent power to pass legislation dealing with immigration. That is still the law. But what is equally

important is that from the practical point of view the provincial governments must assume very heavy responsibility for those who come to live within their boundaries. The new citizen who comes to live here is very much more concerned with those things which come under provincial jurisdiction than he is with those things over which the Dominion Government has authority. For that reason it is not only the right but theduty of the provincial government to know what plans are being made in regard to immigration.

In view of some misrepresentation and misunderstanding -- sincere misunderstanding in many cases -- there has been in regard to the position which has been taken in regard to immigration, let me point out that I have never at any time, on behalf of this Government or persons suggested any plan of immigration which would go into effect until we had assured the re-employment of our veterans and workers in the munition factories. The position I have taken is that when the time comes for immigration we should have plans which will assure the very best type of new citizens in this province.

That is one reason why I am very greatly concerned about the refusal of the Dominion Government to enter into any agreement with the Government of Great Britain, or the other governments of the Commonwealth, which would give priority to members of the armed forces from other parts of the Commonwealth who had served in Canada during the war. Right here in the Province of Ontario, many thousands from Britain, Australia, New Zealand and other parts of the Empire, trained for service against the enemy and have formed a deep attachment for our country. They already know how

we live and what we are like, and many of them have indicated their desire to come back here after the war. When the time comes for immigration, they would be the very best citizens we could absorb. I believe that the Government of Ontario has a right to know why such a proposal was refused, and in view of its concurrent power over immigration has a right to express its own opinion as to what plans should be made for the future. That is one important subject which would be discussed at a Dominion-Provincial Conference.

Then we have the case of air transportation. As a result of the extensive air training program which has been carried out during the war with such success, we have throughout Ontario airports which can be adopted for inter-urban feeder lines to connect with the main transcontinental routes. No province in Canada has nearly so many trained air personnel as has Ontario. We are restrained, however, in our development of these feeder lines by the position taken by the Dominion Government that they have full control over all air routes, even though they be entirely within the boundaries of a province. At the same time the Dominion Government is doing nothing whatever to develop such feeder lines to give opportunity to trained men and women from the Royal Canadian Air Force who wish to continue in aviation after the war. That is something we would discuss at a Dominion-Provincial Conference, and the reasons are too obvious to need explanation why it is necessary that this be settled before the end of the war.

I can only repeat in this Legislature my repeated requests, by letter and otherwise, that a Conference, or a meeting of Premiers, be held without delay, particularly

in view of the announcement a few days ago that there is to be no Dominion election for some months ahead. We are ready at any time to attend such a Conference, and will do so in a spirit of wholehearted co-operation with the welfare of our people as the one guiding consideration in the course we will follow. Before I leave this subject, I wish to refer to something which happened only yesterday which does place a still further emphasis upon the need for such a meeting. The Dominion Minister of Reconstruction said in Ottawa yesterday that "full scale plans have been developed and are awaiting application to the immediate conversion problem of clearing plants of machines for making munitions to permit the fastest possible output of civilian supply".

That is something we have been urging for a year and a half. But once again here is something which calls for Dominion-Provincial co-operation. Most of the plants producing munitions are not owned by the Dominion Government. Consequently, the power to deal with those, under any effective plan, must depend upon the provincial authority over property and civil rights once the war powers of the Dominion Government end with the cessation of hostilities. Nevertheless, in spite of the obvious need for co-operation between the Dominion and Provincial Governments, and in fact between those governments and the municipal authorities, there has been no consultation of any kind although we have been urging it for a year and a half.

Instead of a Conference to discuss this subject, the Dominion Minister of Reconstruction has announced that there are going to be Regional Directors to deal with those problems in Ontario and elsewhere. This is the very sort of thing which we urge should be placed before a Dominion-

Provincial Conference, and placed under the guidance of Dominion-Provincial Joint Planning Committee. The course being followed by the Dominion Government is not the road to an orderly solution of these vitally important problems. It is the road to hopeless confusion.

Now I intend to speak about some questions raised in regard to our educational program. At no time have we suggested that the taking over by this Government on behalf of the people of Ontario of fifty per cent of the cost of education in the primary and secondary schools would in itself solve our educational problems. That has, however, a very direct bearing on the solution of our educational problems as a whole, and above all it has a very direct bearing upon the encouragement of the building and owning of homes and of the establishing of the very basis of social security and providing the surroundings in which most education begins.

I was, however, surprised at the statement made by the Leader of the Opposition (Mr. Jolliffe) that there would only be trivial advantages in this change. Now let us see how trivial some of those advantages are. The estimated grant to the City of Toronto alone under the plan which has been laid down will amount to $2,091,745.57. Not a trivial amount in terms of any money that we have yet come to deal with. Surely that is no trivial reduction in the tax burden of the people of this City of Toronto.

But let me give you just a few figures of some of the smaller places to indicate exactly what the result would be. Kenora, for instance -- where one of the very esteemed members of this Legislature, who has recently burst out in a new line of business activities in that flourishing city-- will undoubtedly appreciate the fact

That Kenora will receive an estimated grant of $24.268 to assist them in the reduction of their school burden, and that is equivalent to 4.5 mills in the tax burden of the Town of Kenora. Toward the other end of the province, for instance, Newcastle will have a possible reduction of 5.5 mills in its school tax.

Now, Timmins, in another part of the province, will receive $49,238.67. These, I must tell you, are all approximate figures, subject to the official checking of the figures with municipalities. That offers a reduction in the tax burden of 3.6 mills.

Embro, another typical community of another size and type, has an estimated possible reduction of 5.27 mills.

The amounts vary very considerably depending upon the assessment structure and the general method of taxation within the community, and of course to some extent upon the procedure which has been followed. That is one of the things I have emphasized, that we must strive for greater uniformity of assessment and in the allocation of costs and of taxation. But that is a step that will take time, as everyone who is connected with municipal affairs will know.

The amounts vary from those I have mentioned, and less, up to 20 mills and more. The variation in the mill rate does not measure the variation in the amount or in the advantage, but it quite clearly represents a difference in the system which does confront us with many difficulties.

I must say that the last criticism I had expected to hear was that the assumption of half of the cost of primary and secondary education in this province was a trivial adjustment of taxation. On the contrary, it has been described as very different on earlier occasions.

But the changes in our educational system have gone far beyond an adjustment of taxes. We have made sweeping reorganizations of the administration of the Department of Education, which has had a profound effect upon our whole educational progress throughout the province. Anyone with any connection with school affairs, as have many of those who are here as teachers, members of school boards and in other activities, will know perfectly well that this is a problem presenting many difficulties and that changes cannot be made overnight in the curriculum or in teaching methods.

Anyone who has had some contact with this problem knows that the whole school year is to some extent fixed

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by textbooks, by the necessity for an accepted curriculum and by other matters that make constant changes as between school years very difficult indeed. But great advances have already been made towards the objective of real equality of educational opportunity throughout the province.

Apart from the changes in the administrative organization of the Department of Education, let me mention just a few of the changes in policy which have had a great effect upon our educational system.

For the first time we have introduced guidance into our school system upon a provincial basis. A Director of Guidance has been appointed who is recognized as one of the leading authorities on this continent. By that I mean Guidance in the special instruction adapted to the special capacity of the individual student. That again means tremendous changes. It involves the instruction of the teachers themselves and their cooperation as a first step.

Many schools have not yet had the opportunity of putting the new plan into effect, but the Director is working night and day to assist the school boards to carry out this program.

We have also set up special grants for rural high schools which will encourage school boards to make the school buildings available as community centres, and to adjust the school program to meet the needs of the local community and the individual pupil. A good beginning has been made in this work and new boards are constantly taking up this plan.

We have adopted a program which will provide technical institutes under provincial control at selected points throughout the province. Already the Haileybury Institute

of Mining has been opened to serve the whole of the mining industry in Northern Ontario.

A Director of Physical and Health Education has been appointed who is expanding the physical and health education in the schools, and developing a program for physical fitness throughout the whole province.

Cadet training is now included as an integral part of physical and health education, and these combined courses are directed toward the development of healthy bodies, an understanding of good citizenship, and a sense of responsibility to the community as a whole.

As a further development of sound citizenship, we are introducing a program of instruction in the simple principles of our own system of government under Dominion, Provincial and Municipal authorities. Only to-day a new book has come off the press under the title "Canadian Democracy in Action," which is the first attempt to give an understandable picture of our constitutional structure in words and within the space which would be suitable for the pupils in our secondary schools. The book has been prepared by Professor Brown of the Department of History of Toronto University, and I feel sure will meet with the approval of every member of this Legislature. It is a reduction into simple and compact form of the constitutional set-up under which we live. It states in understandable terms the way in which we govern ourselves in this democracy, and the need, I might say, of that book became very apparent, if any emphasis had been required, when a questionnaire was sent out to the senior classes in the collegiates of this province. It produced very startling results. It produced a rather startling story of the extent to which we had failed in this province throughout the years

to give to our pupils an understanding of some of the simplest bases of our constitutional method. That was not the fault of the pupils. The pupils have been working hard on the courses that have been given to them, but for some reason we expected that they would grow up with some knowledge of our system of government without being given any instruction in that form of government.

MR. MITCHELL: Might I ask whether this booklet will include a copy of the British North America Act for the benefit of the pupils?

MR. DREW: There will be an appropriate reference to the British North America Act.

MR. JOLLIFFE: Even the Privy Council has had difficulty in interpreting the British North America Act.

MR. DREW: I can assure hon. members that it will not contain a judicial interpretation of the British North America Act. Do not misunderstand me. We are not providing a judicial interpretation of the Act for the pupils of the schools. The book is written for the advanced students in the senior classes of our schools, and hitherto they have not received that instruction in a way that was adapted to their requirements. I shall be glad to make arrangements for every hon. member of the House to get a copy of this book. I only mention it at the length I do because after the discussion that we have had about an understanding of our public affairs I think it will be helpful to have a book of this kind. I know that Professor Brown and the officials of the Department of Education would welcome any suggestions that may be made.

Equally related to the building of good citizens has been the extension of the teaching of simple essentials of

stories from the Bible. In spite of some public statements to the contrary, the program is meeting with widespread approval and has received the warmest commendation from many of our highest religious authorities.

I think perhaps for a moment I should make reference to some of the startling interpretations which have been placed upon this effort of ours to give a more widespread distribution of certain fundamental requirements ordinarily accepted as essential to the physical development of people within our form of democracy.

We did not begin to teach either Bible stories or what might be called religious education in the schools of this province, for that has been going on for some time. But there had been such an expanding desire for these courses that the ministers of the province simply could not meet all the demands made upon them, and we have accordingly introduced a system which is very similar to that which has been used with very great success in Great Britain. In fact, we have made a start by taking two textbooks which are used in their schools, adapting them to meet our own requirements, and that has been done with the whole-hearted cooperation of the representatives of the various churches interested, the senior denominational bodies, and these pamphlets have been produced in a way to avoid any denominational controversy.

In saying that I should point out that this affects only the public schools because religion was already being taught in the separate schools of the province. The Committee that considered this matter was a Committee of Protestant ministers, representing a great many parts of the province, and it is significant that there have been

warm words of commendation from leaders of the Roman Catholic church as well of the procedure which has been followed.

It was clearly stated that the books which were introduced were only experimental, that they were a first step. They can be improved in the light of experience. The fear that there is any attempt to introduce what might be called a state religion is wholly unfounded, both by the practice adopted and by the results which have been obtained. It is a fact that very few school boards throughout the province have indicated a desire not to have these classes. Any board, of course, can decide not to have them. No board is compelled to permit this education if they do not wish it. Surely that is ample protection for those who for any reason feel that this teaching should not be given. In certain cases the reasons for not giving this teaching in the schools have been obvious because some schools have to include members of very divided denominations, and the teaching would have caused difficulty in those schools.

I should also say that this instruction is only being given in the primary schools, and is only being given step by step in the junior forms, after full consideration and great assistance from representatives of the various churches.

There are many other new steps which have been taken in our educational program throughout Ontario. I will deal with those when I am discussing the estimates of the Department of Education.

I do want to say that the Act of last year which gave to the teachers of this province professional status has worked out extremely well, and the Department of Education has received great assistance from the official representa-

tives of the teachers of the province. I am certain that throughout the years this opportunity which is afforded by the Teachers' Federation is going to be of great value because they are themselves dealing with the problems of the pupil and are able to pass on the advantage of their experience after discussion amongst themselves of the problems arising in varying types of communities and under different conditions throughout the province.

I am not for a moment suggesting that we have made more than a start in bringing education throughout the whole of Ontario to the level we hope to achieve. But it is a matter of record that quite apart from the change in the burden of taxes sweeping advances have been made in the past year in the improvement of our educational system which compare very favourably with those made in any corresponding period since Confederation. I assure hon. members that the Department of Education will welcome suggestions and constructive criticism from every member of this Legislature. I know that the officials of the Department of Education will be very glad to have the advantage of the advice of hon. members of this Legislature in regard to any particular local problems which may have arisen over the changes which have been made or with respect to any problem of education.

Before I leave that subject entirely may I say that it is not possible to effect any change that applies to thousands of schools throughout the province and affects the relationship of thousands of school boards with the Department without certain problems arising, and undoubtedly in certain cases difficulties may arise that require attention. All I ask is that if any hon. member know of any such situation arising he will bring it to the attention

of the Chief Director or to me personally, and it certainly will receive attention. I might say to one of the hon. members present with whom I discussed a particular problem the other day, a very thorny problem, that we have solved it as a result of his bringing it to our attention.

I have spoken already of the need for maintaining and expanding our exports as an essential part of any program of full employment for this province and in fact throughout this country. That, may I say, is one of the main purposes of Ontario House in London. Already it has done much to lay the foundation for developments along that line. It can assist in several ways, first by expanding the contacts over there for our producers, and second by bringing to us new sources of production. It will also be the function of Ontario House to assist industrial producers here in finding new and expanding markets in Britain and throughout Europe. Attached to the staff of Ontario House is an outstanding industrial engineer, Colonel F. J. Lyle, whose work is directed toward bringing to Canada new types of industry which will create new employment here. Colonel Lyle has had the advantage of wide contacts here in Ontario with industrial production and he served ever since the beginning of the war until a few months ago in the Canadian forces overseas. He has established excellent business contacts over there and has already laid the foundation for much new development along the line of bringing to Canada new types of industrial production to create new employment here. Ontario House will have the function of assisting not only the industries producing things but also the municipalities of our province, and many of our municipalities have sent to Ontario House complete details of their local industrial opportunities, power and

highway facilities and other facilities available for the location of industry. I can say from my own experience over there, in discussions with these men, that there is a very great interest being taken over there in the establishment of small industrial units in the smaller communities of this province because of their experience in decentralized production in Britain, and I would strongly urge that every community within this province place on record in Ontario House full information as to the facilities which they afford along those lines, that is those which actually feel that they have sound industrial opportunities.

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TB-1 We also have expert assistance in the handling of agricultural products, and it will be the duty, and is the duty now, of those connected with Ontario House to explore every possible channel for new lines of distribution of agricultural products which can maintain our tremendous war-time export. Whether we can maintain them at the present level is, of course, entirely dependent upon the opening of new contacts over other countries to-day. It is far beyond anything we have known in peace before.

Also, it will be the duty of those connected with Ontario House to establish contact with industrial and agricultural outlets in Europe, as well. May I say, in view of the fear that was expressed along that line, that this government neither had any thought, nor did it ever intimate that it intended to open an embassy in Paris or anywhere else in Europe. What actually has been done is that we have established contacts by which producers here can seek outlets in Paris and in France, and will also be able to do the same in Belgium or Holland or other areas of Europe when war ends and when export becomes possible.

But I do want to say that we received the very warmest cooperation from the Canadian Embassy in Paris, and General Vanier, the Canadian Ambassador there, made available to us every facility of that Embassy for the purpose of establishing contacts in Paris and elsewhere throughout France. We have other contacts of a business nature, as well, and already it has been possible for us to be of assistance to those who have gone from here seeking new export outlets in France and continental Europe, and when the ravages of war have passed, and when communication is again in active operation, it

undoubtedly will open wide fields of opportunities for the creation of good-will, just as we have had ambassadors of good-will in Britain in the persons, there, of hundreds of thousands of well-behaved young Canadians, and we have had ambassadors of good-will of the highest type in France, in Belgium and in Holland, because, not only have those young men and women done a magnificent job in making the path to victory far surer, but they have left a reputation for courtesy and good-will behind them that should warm the heart of every Canadian back here at home.

Now, in addition to the activities of Ontario House, which is the business administrative representative of Ontario in what is, let us always remember, by far the greatest market for Canadian production, - and will continue to be, - in addition to that, we have the Ontario Services' Club, which is providing a very much-needed sleeping place for many of our young men and women from Ontario. Many of the hon. members of this Legislature have come to me and have told me of letters they have received from overseas, telling what splendid treatment and courtesy and kindness they have received over there.

The Ontario Services' Club is doing a great job, because these young boys and girls, who are that far away from home, and have been away from home that long, do get a warm feeling in their heart when they just see that word "Ontario", and when, incidentally, they go inside and have a lot of very attractive young Canadian girls meeting them there, - and I assure you that they are extremely attractive young girls, who are a credit to this province and to this country, - and that

Club is building up good-will between Ontario and the rest of Canada through the young men and women in uniform from every part of Canada.

Excellent meals are served there at cost; the prices charged just actually carry the cost of producing. But, in addition to the ordinary things which can be obtained, these young people do welcome the fact that through arrangements made here they are able to get things like maple syrup and pancakes, and things of that kind, which are not only a luxury, but are unobtainable at any of the ordinary restaurants or other eating places over there.

MR. CHARLES H. MILLARD (York West): Better send them over a doughnut machine.

MR. DREW: I hope you have some suggestions, because you have just come back from there. We are trying, all the time, to send things over to them which will establish a better contact.

Now, I can also say we are establishing good-will with members of the armed forces of the United Kingdom and members of the armed forces of France, Belgium, Holland, and all the Allied Nations, and any who have been there will have noticed, as they go in, the insignias of almost every allied uniform on the shoulders of those who are there, who, going there as guests of young Canadians, and in that way establishing a contact with the name of "Ontario", and what Ontario is, are forming a very high opinion of what it is doing.

2. I can best indicate the extent of the work they are doing when I tell you that they are serving an average of over sixteen hundred meals a day, and that they have more than two thousand visitors in that Club every day. That has been made

possible only by the cooperation of the Canadian Red Cross Society. More than fifty young Canadian girls in uniform are assisting in this work, and, through their efforts, making this one of the most attractive meeting places in the whole of London for men and women in uniform, of any nationality.

Now, in reporting these details, I do wish to pay the warmest possible tribute to Miss Isobel Pepall, who is in charge of these splendid girls, and who is, in fact, in command of the Red Cross girls overseas, and also to express our appreciation, - and when I say this I feel sure I can say it on behalf of all of us, - to every one of those girls for the magnificent work they are doing at the Ontario Services' Club.

Many other activities are carried on under the direction of that Club, and not the least portion of these has been the distribution of more than four hundred barrels of Canadian apples to young men in hospitals in Britain, and may I say, in that respect, that any who are sending parcels overseas should remember that anyone in hospital likes that special linking-up with things, like apples, maple sugar, and things of that kind, which remind him particularly of home.

Also, constant contact is maintained with the excellent Canadian hospitals over there, and every step is taken to assure an adequate cigarette supply there, and other needed requirements for the patient in hospital, and our own Queen's Park War Service Guild, made up of our members of the Civil Service of this building, have done a tremendous job in sending over needed comforts and supplies to people in hospitals and to our young men and women overseas.

Now, in many ways these organizations help to maintain a

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direct contact with home for so many thousands of our young people. That is the thought uppermost in the hearts and minds of those who are overthere, and I am sure the hon. member for York West (Mr. Millard) will report to us as to the contacts he has made with them. It has been one means of maintaining a direct contact, and we have received many, many letters telling us of what we do has meant to them.

As we read the encouraging news which comes to us day by day, and hear of new victories which perhaps are inclined to make us over-optimistic, still we can, with justification, feel, now that our troops are along the Rhine, and that the forces of Russia, on the east, are along the Oder, that we are within measureable distance of the end of this ghastly war, and I know that in closing, no matter what other remarks might not meet with general approval, I think I speak on behalf of every hon. member of this Legislature when I say that our greatest hope is that we will soon have the opportunity to welcome them home again.

MR. MITCHELL F. HEPBURN (Elgin): Mr. Speaker, so far we have heard from four honourable gentlemen in this House in connection with this very important debate, and I shall refer very briefly to each one of them; —first, of course, to the hon. member who sits directly opposite me, my very good friend from Peterborough (Mr. Scott). I was very much impressed with the reasonableness of his address, which he delivered when he seconded the Throne Speech motion which precipitated this present discussion.

I also listened with a great deal of interest while my good friend, the hon. member from Norfolk-Haldimand (Mr. Martin)

delivered his Throne Speech. Now, I have been in Parliament for nineteen years, and I have heard many movers and seconders of the Address in reply to the Speech from the Throne, but very seldom have I heard them interject anything of a controversial nature into the discussion, and I rather regretted that the hon. member for Norfolk-Haldimand stepped out his field. I shall not endeavour to follow him, because I know he is a new and inexperienced member of this House, and the speech he delivered was a typical Tory speech, and no doubt was written for him by somebody else.

However, there is one observation I want to make, having particular reference to his closing remarks. Amongst other things, he said:

> "Let me say I agree with the hon. Prime Minister that so long as Ontario remains Ontario, the Union Jack will wave over this great province, and we will continue to sing 'God Save the King' and mean it."

I rather expected at that point he would have reached over and grabbed the Union Jack from the wall and in typical Tory style have waved it before this House.

Now, Canada has attained the position of the third largest trade nation of the world. As far as I am personally concerned, I think it would be a good idea if the Canadian ships which carry Canadian goods over the seven seas would have a distinctive Canadian flag. But, - and I repeat the words of the hon. member for Norfolk-Haldimand, -

> "As long as Ontario remains Ontario the Union Jack will wave over this great province."

- and that, however, is a matter entirely in the Federal jurisdiction. If the Canadian Parliament and the Senate at Ottawa see fit to adopt a distinctive Canadian flag, then a bill giving effect to that measure would have to be signed

by a representative of the King himself. His Excellency, the Governor General of Canada, and these poor, orthodox, old-fashioned Tories, would then find themselves in the anomalous position of being more loyal than the King himself, because if the King approved a distinctive Canadian flag, then these Tories say they would take exception to it. So, trying to block the securing of a distinctive Canadian flag by them would be as futile as putting a mustard plaster on a wooden leg.

Now, we have heard the hon. Prime Minister in three sections. The first blast was directed at me, a vitrolic and unprovoked attack. The next attempt, he arose to great heights and drew our attention to scientific research, and asked us all to step in and assist these men in their scientific endeavours. To-day we got the residue, which he read very carefully and very well. As a matter of fact, he does a job like that very well, indeed.

But I was rather disappointed that he made no particular-reference to his twenty-two points. I think, as a matter of fact, those twenty-two points are beginning to be rather irritating to him.

MR. DREW: Not a bit.

MR. HEPBURN (Elgin): You know, ordinarily a political party adopts a platform, and they refer to certain suggestions put forward and promises made as "planks", and not "points", and I am afraid the "points" are closing in, and he is the irritable member, and not myself, as he described me the other day.

I have listed with a great deal of interest to the hon. leader of the opposition (Mr. Jolliffe), - and I know he is a man of many academic degrees, a Rhodes scholar --

MR. DREW: May I plead "not guilty" to that charge?

MR. HEPBURN: To what charge?

MR. DREW: I am not a Rhodes scholar.

MR. HEPBURN: I didn't say you were. I think you had better just reserve your energy, and you may have to plead "guilty" to other things later on.

Now, my good friend, the hon. member for York South (Mr. Jolliffe) has what you might call a "theoretical, academic mind", and I think that is to his disadvantage, because the people whom he is supposed to represent are people who work with their hands, and I think they are falling away from the socialist party because they do not think they have the right kind of leadership in either the hon. member who is the opposition leader (Mr. Jolliffe) in this House or Mr. M. J. Coldwell, the Dominion leader for Canada.

MISS AGNES MACPHAIL (York East): You have been listening --

MR. HEPBURN: Never mind; I am going to say something nice about you later on.

All over Canada you will see the C. C. F. falling apart because socialism, in its true form, is now being unveiled for the study of the people of Canada. And I see two hon. members who last Session were sitting on your side of the House, over there, and there are two who left in Manitoba--

SEVERAL HON. MEMBERS: Oh, oh.

MR. SPEAKER: May I remind the hon. members that the Speaker is still in the Chair. Please observe that. One at a time, please.

MR. HEPBURN: The Trades' Union men are falling away.

Only the other day the United Automobile Workers endorsed the stand taken by their leader, Mr. Burke, who withdrew the support from the C. C. F., fifty-one thousand, in all --

SEVERAL HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order.

MR. HEPBURN: Mr. Speaker, the socialists are not fooling anybody any longer.

This reminds me of a soap-box orator, who was carrying on with great gusto in London, and as the limousines went by he said, "When the day of freedom comes, you people will be riding in those limousines, and be living in the great mansions when the day of freedom comes."

One type of old British workman got up and said, "I do not want to have a limousine; I do not want to subject myself to such traffic hazards, and I do not want to live in a mansion; I am satisfied to live in the little home where the wife and I raised our family." And the soap-box orator said, "When the day of freedom comes, you will do as you are told."

That is what the people are doing to-day. The socialist group are getting tired of regimentation, from which they fear they will never shake themselves loose. That is what is the matter with your party to-day.

SEVERAL HON. MEMBERS: Oh, oh.

MR. SPEAKER: I must appeal to the hon. members, that no matter how colourful the speaker may be, just take your turn.

MR. HEPBURN: Mr. Speaker, I have no objection to their "butting in". I will take them all on, as far as that is con-

cerned.

Now, I said I was going to say something nice about my good friend from East York (Miss Macphail). You know, twenty-six years ago, - and that is a long while ago, - I was chairman of a meeting in the little village of Union, which is a half a mile from my farm, at which time my good friend from York East (Miss Macphail) came down and spoke on farm problems, and she made a wonderful impression. Then, a few years ago, I met her in the House of Commons, when I was a Federal member there, and I know very few people who are any better at repartee. I have had the experience of meeting that, and I had the satisfaction, the other day, of seeing the hon. Provincial Secretary (Mr. Dunbar) and the hon. Prime Minister (Mr. Drew) manhandled in a similar fashion. I would advise the hon. members to leave the hon. member for East York (Miss Macphail) strictly alone in the future. But I must say that I am glad to see that she still has that sparkling wit and is still as beautiful to-day as when I first met her.

Now, Mr. Speaker, the hon. member for East York (Miss Macphail), in making an observation the other day, said she never had heard a political leader say he had made a mistake. I certainly would like to have the satisfaction of hearing the hon. Prime Minister (Mr. Drew) admit that at some time, or other, he actually made a mistake. I have made lots of mistakes. I am just an ordinary, human individual, and will probably make a lot more before I die. I will probably be apologizing for my mistakes as long as I live.

3-6-45.
Mr. Hepburn
(Elgin).

I made a speech down at a service club the other day, and I told them that I had made a mistake when I attacked Right hon. Mackenzie King personally, that I should have attacked his Government. I do not think that much is to be gained by personal attacks, but it seemed to attract a considerable amount of attention. The simple reference which I made brought forth a cartoon in the "Globe and Mail" and the "Toronto Telegram". I will admit that at that time I was rather concerned about the war situation, and I had reason to be, because I had just returned from Australia, where I had talked with military and naval leaders, and you have to be down there, thousands of miles from the North American continent, or Great Britain, to appreciate the sense of danger in the minds of those people,-only seven and one half million, in all,-when but a few hundred miles north were nearly one hundred million of the most savage individuals that this world has ever known, not even excepting the Nazis themselves.

(Page No. 783 follows.)

AN HON. MEMBER: May I ask a question?

MR. SPEAKER: Order. The hon. member for Elgin must be allowed to proceed without interruptions.

MR. HEPBURN (Elgin): I do not mind questions. I, too, have perhaps been over-zealous in asking them.

I want to picture to you, Mr. Speaker and hon. members of the House, the situation I found in Australia. The people there were in fear of an invasion from the ruthless Japanese and were frantically preparing for war at a time when we had on the North American continent eighteen million people on relief and when we had perplexing economic problems to solve. While we on this continent were investing in idleness, in Australia the people were investing in armaments. I remember well that as I left on the "Mariposa" the Prime Minister of Australia, Mr. Curtin, stood in my cabin with tears in his eyes and said, "If you can, do try to wake up the people of North America from their apathy because when war breaks out we are going to be invaded unless the American and British navies can fan out to protect our shores. Otherwise the ruthless Japanese will invade our country." So hon. members will understand the attitude of mind in which I returned to this country, and one of the first things I did upon my return was to introduce into this House a resolution -- this was months before the war -- calling for the mobilization of our resources and manpower in anticipation of a war that I then believed to be inevitable. But I was laughed out of court. You have to expect these things if you are a lone voice crying in the wilderness. But later on the situation developed much more seriously.

Last year the hon. member for Dovercourt (Mr.

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court (Mr. Duckworth participated in a debate in this House, and rightly so, due to some information that he had with respect to an illicit traffic carried on between this country and Japan. I well recall Madam ChiangKai-shek speaking in Ottawa not long ago and expressing her appreciation of the assistance Canada had rendered to China when this House in 1940 passed a resolution condemning the Dominion government at that time when we found that Canada was actually shipping raw materials to Japan which afterwards were used to blow our boys to pieces in Hong Kong. I may have been over-zealous, but I still maintain that nothing much can be gained by personal attacks. I am sorry indeed that I indulged in personal attackes on Mr. Mackenzie King, but I want to say that there have been no overtures made by him to me nor from me to him, so I am perfectly free to criticize his government. But I want to say this. I realize that the greatest thing in Canada is national untiy, and I believe that the only organization which can provide a semblance of national unity now or in the future us that great body of reform opinion which you find in the Liberal party and which you cannot find in the narrow, reactionary Tory mind.

I was perturbed the other day -- I am going along the back benches now -- to see that the hon. member for St. David (Mr. Dennison) made a reference to a delegation that appeared before me when I was Premier of this province, a delegation comprising women and children, and the hon. member said that I was rather discourteous to the children.

I want to deny that allegation most emphatically, Mr. Speaker. I have three adopted children of my own. I love little children. I have never been discourteous to any

children in my life and never will be. I should like the House to know the circumstances in which that delegation met me.

When I took office we were in the dark days of the depression. We had been left a heritage of one hundred million dollars of debt, of unpaid bills and overdrafts by the Henry government. One of the first things I did was to inspect personally the homes of the unemployed, and when I found that they did not have sufficient bedding, kitchen utensils and dishes and little comforts, I used the only flexible source of revenue that I had and raised the amusement tax, although my action was very unpopular at the time, in order that these people might be provided with the necessities of life. There were thousands and thousands of men and women in the province of Ontario at that time who were victims of circumstances beyond their control, and we established for their benefit the highest scale of relief that has prevailed on the North American continent. We also made arrangements with the Medical Association of Ontario as a result of which the medical needs of these men, women and children were taken care of and were paid for out of the revenues of the province. I think we did a fairly good job.

Now as to the delegation which appeared before me and in regard to which I was criticized by the hon. member, I noticed that the children who accompanied the delegation looked as though they were well fed, and I asked them, "What is your complaint?" They all told the same story, these children, and so I asked them, "Were you instructed to tell me that story?" And they said, "Yes." Then I asked, "By whom?" And they pointed to two individuals who were the agitators. One of these men was on relief. He did not

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want to work. I drop of sweat on his brow would have been as rare and precious as an atom of radium. It would have cured cancer. He did not intend to work. He organized relief disturbances not only in Ontario but he went out to British Columbia and did the same thing there. We were looking for him because he was taking relief in two provinces. That was one of the individuals who was arrested at that time.

The other individual was even a little worse. He was an employee of the provincial Government, or had been enjoying a very responsibile and lucrative position with the Agriculutural Development Board. This fellow actually opened envelopes containing the small payments that farmers sent in. Farmers who were trying to keep up the interest on their mortgage. He stole the money, and we were looking for him.

MR. JOLLIFFE: The hon. member for Elgin is referring to a different matter entirely from the one brought up the other day. The reference of the hon. member for St. David (Mr. Dennison) was to the Lakeview case, and the hon. member for Elgin is discussing another case entirely. There were four charged in the Lakeview case.

MR. HEPBURN (Elgin) I am discussing that case, where these men were arrested. I am citing the case from memory.

MR. JOLLIFFE: One of the four was guilty of another offence.

MR. HEPBURN (Elgin): Do you want to champion their cause?

MR. JOLLIFFE: The people I am mentioning were charged on the instructions of my hon. friend on two courts and they were convicted on one. That conviction was reversed by the Court of Appeal of Ontario, which was upheld by the Supreme Court of Canada, and they were all

set free eventually.

MR. HEPBURN (Elgin): I am speaking from memory but I know the facts in the case to which I refer. I was attacked because of what were called the Hepburn Husaars being sent into Kirkland Lake at the time of the strike. What actually happened was that we sent in the Provincial Police when the municipality asked for them and said that the situation was beyond their control, that women and children were being intimidated, that bricks were being thrown through their windows at night, that men were being beaten up and trucks upset on the public highway and those riding in the trucks taken out. Whatever responsibility I have now or may have there is one thing I shall always do and that is maintain law and order. I do not think my hon. friend who is an organizer for the C.I.O., the hon. member for Sudbury (Mr. Carlin), would want to live where law and order was not maintained. If he would I would not want to meet him in a dark alley on a dark night.

My hon. friend from York North (Mr. Mitchell) looked down from a very high altitude with disdain upon what he called the old parties. I am not ashamed of being a member of an old party. Its roots go back to the days of the feudal lords, and it is because of that old party that we have to-day free schools and responsible government. If I remember correctly my friend and I were not far apart in political campaigns in North York not very long ago. Let me assure him that I at least am not ashamed to belong to one of the old parties.

I want to make a reference to another matter in which I was made the subject of another cartoon. I refer now to the hon. member for Bellwoods (Mr. MacLeod). I say with due

respect to all the members here that I did say publicly in Windsor that the hon. member for Bellwoods had more brains than any other man in this House. I say that in the presence of hon. members. I am not a brass hat; I am not a stuffed shirt; I have not an egotistical complacency that you could not dent with a pickaxe. I am just an ordinary human individual. I have not that superior complex which bothers others so much.

What actually happened the other day was that the hon. member sent a page from Time Magazine over to me containing an article in which he thought I would be interested. I sent it back to him, and a few minutes later I received a note from the hon. member for Carleton. The exchange of notes was the cause of another cartoon because apparently when the Prime Minister made his reference in the House to the incident, he was under the impression that both notes came from the hon. member for Bellwoods, which was not the case.

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However, it gave the Mail and Empire, -- Globe and Mail, -- "Mail and Empire" is right, I guess, -- an opportunity, another opportunity for another cartoon.

In the course of his remarks the other day, the Hon. Prime Minister (Mr. Drew) made reference to the fact that at St. Thomas I paid him a very nice compliment. That was a year or so ago; and, after all, I did. He was a guest in my home town, and it was my privilege to do so; and I must confess I did smother him with praise.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, it was not really the almost overdone compliments on that occasion, but I was referring to the Hon. member's (Mr. Hepburn) remarks here at the Ontario Property Owners' meeting.

MR. M. F. HEPBURN (Elgin): I noticed that the Hon. Prime Minister (Mr. Drew) almost purred over the remarks. I do not know whether he said anything nice about me. If he did not, he certainly should have. Well, he took great delight, the other day, in quoting from some observations I made during the last nineteen years; and I am not going to trouble the House with a review of his remarks; but I suppose they will not be all accurate ~~be in all accuracy,~~ because it is very seldom that I read a speech, and, as a rule, I speak very rapidly; and then am on many occasion misquoted.

I know my friend from East York (Miss Macphail) will approve that he is wrong just once.

In 1938, about a year before the war broke out in September, 1939, he was quoted in MacLean's Magazine:

> "Last summer my wife and I were in many parts of Germany and talked to many Germans. Everywhere we found friendliness and courtesy, utterly inconsistent with any general hatred of the British. On the contrary, time and time again they went out of their way quite unnecessarily to explain to us that what the Germans want more than anything else is the

"understanding of British people."

That same article proceeds to tell the people of Ontario what our attitude should be towards the Germans:

> "The demands of the Nazi Party, which today speaks for Germany, are clear. They are not based on the hatred of any nation or group of nations. They are the result of racial pride, expressing itself in terms of the future.....we will get nowhere if we believe that the Germans hate us or, if, on the other hand, they believe that they hate them. On the contrary, I believe that the majority of Germans want British friendship and we should also seek theirs."

As a prognosticator he erred in that respect.

There is no use going on to quote what he said about Russia or anything else. I want to come a little nearer home.

He said we stirred up disunity in regard to the Sirois Report. The report was opposed by British Columbia and Alberta, not supported by Quebec. I am not opposed to a division of the wealth of Canada with the Western Provinces although at the outset I was one of those who thought that the proposal was more a financial swindle than anything else; what we did oppose at Ottawa was not distributing our wealth or dividing it with the poorer provinces, but it was the gigantic scheme which they were foisting upon the people of Canada. For instance, the bonds of Montreal were selling at a very low rate, and Mr. Sirois a bank director, had in his Bank's possession a large number of those same bonds. We were to pay to the City of Montreal, I believe 40% of its funded debt, some nine million dollars per annum irrevocable to the Province of Quebec. After deliberation I concluded that he was a man who was going to see his own bank benefited to a great extent by the payments to the City of Montreal. We were to take over the bonds of the Western Provinces which were selling as low as 60 and 62, and bonds

were bearing six per cent interest; and with the endorsation of the Federal Government they would have advanced over night in price. It would have amounted to over five hundred million dollars.

My friend is strangely silent, I did not hear a peep out of him on account of the Sirois Report.

HON. GEORGE A.DREW (Prime Minister): A resolution was introduced into this House based on that time upon that report.

MR. M.F.HEPBURN: If it was, it is news to me. We will ask that they look up the proceedings of the Legislature.

My friend the Provincial Treasurer said I had nothing to do with collective bargaining. I made the statement that I was the one who made the motion for collective bargaining in this House. May I suggest that he look up the Votes and Proceedings of the 27th of February, 1943, and he will find that I was the one who moved the resolution to set up a committee to study collective bargaining at that time, and to report to the House.

Now, I want to deal with "Ontario House". I endorsed the principle of re-establishing the Ontario House, because of the benefits which would accrue to our veterans and fighting men overseas. I did not intend it to be a duplication of our Department of Trade and Commerce in London; but I did think it would be of service, as far as our soldiers are concerned.

I was completely taken by surprise when I found that our Prime Minister was using that for the purpose of bringing in a gigantic immigration policy.

In his remarks this afternoon, he said that there was no intention of bringing these people to Canada until all our

own soldiers were returned to Canada and in gainful employment.

MR. GEORGE A. DREW (Prime Minister): That I said what?

MR. M.F. HEPBURN: That you said that there was no intention of bringing immigrants to Ontario until all our own soldiers were brought back and placed in gainful occupations.

HON. GEORGE A.DREW (Prime Minister): Something to that effect.

MR. M. F. HEPBURN: There was no time factor. My friend has sent this publication all over England, with an article signed by my hon. friend Beverley Baxter, with a picture of my friend The Prime Minister. I do not mind that for a moment.

HON. GEORGE A. DREW (Prime Minister): May I recall, Mr. Speaker, that my friend made sure that his picture was in the forerunner to this?

MR. M.F. HEPBURN: What? I will deal with that a moment later.

MR.G.H. MITCHELL (York North): Who paid for this paper?

HON. GEORGE A.DREW (Prime Minister) It was paid for by this Province. It has not gone all over England, because we started trying to send those over last April, and the bulk of them have just arrived in the past couple of weeks.

MR. M.F. HEPBURN: Mr. Speaker, what I want to state is that a determined effort is being made now to get immigrants to come to this Province, and largely under false pretences. I have before me the application form for registration, issued under the authority of the Ontario Government; and I have here a memorandum sent out by Mr. James P.Armstrong, an appointee

of this government, who, I believe, has charge of this particular activity in Ontario House In London. He says, in part, "Your registration form has been received and is recorded. Naturally you want information about your future home, and we want to give it to you. There is so much to tell. Tons of pamphlets are ready for shipment" -- the Prime Minister says there is no time factor, -- "We have every reason to believe that by a year following the European war hundreds of thousands of Britons will be allowed to move to our Province" -- he said there was no time factor, -- "We have every reason to believe that by a year after the European war hundreds of thousands of Europeans will be allowed to move to our Province -- here is the form now being filled out in England. Why does he want them here before our soldiers have been rehabilitated?

This says that eighty-five per cent of Ontario's entire area is still owned by the Ontario government. What a statement, -- eighty-five per cent of the barren waste of the north which you could not sell even to an eskimo.

The other day, my hon. friend who sits right behind me questioned the Prime Minister as to what was his real purpose in bringing immigrants to this country.

HON. MR. DREW: No, he did not.

MR. HEPBURN: Yes, he did, and I will read from the pamphlet written by his pal, Mr. Beverley Baxter:

> "One of the pleasantest things in life is to see the success of a friend that one has known since boyhood. Colonel George Drew, the Prime Minister of Ontario, who is now in London, was born in Guelph, a town situated a hundred miles or so from Toronto.
>
> I could not tell you when we first met, it is so long ago, but it was abvious to anyone in those days that Drew would never be

"a success. He was too good looking."

Now, Mr. Baxter proceeds, -- Oh, this is wonderful,-- He said --

> "The other night we sat in his suite at the Savoy and talked into the small hours of the morning. We went over the past but we eventually turned to the future.
> 'Bax', he said, 'I want that British stock for Ontario. We can take thousands and thousands of your people. The one thing that can keep the French Canadian pressure within bounds is a strong Ontario peopled by British stock'"

Do you recall saying that, or not?

MR. DREW: I said very definitely that I was not aware of the contents of that, nor do I recall that conversation. But, if the Hon. member wants articles written about him by the same writer, it would be interesting, because you will remember that when somebody came to the King Edward Hotel he said things about the Hon. member which he objected to.

I certainly will welcome to this Province, when the time comes, stock of those people who will keep this province British.

MR. A. BELANGER (Prescott): Will you welcome them for that particular reason?

MR. DREW: I do not intend to have the hon. member add one word. But let me say this, for the hon. member for Elgin (Mr. Hepburn) is trying to stir up national hatred, let me remind him that he did such things a year ago.

MR. HEPBURN: I deny that.

Now, speaking of the soldiers' brides coming to Canada:

> "Don't criticize his former sweethearts. Ask them to your house when he is there and bind them to you. They will become your real friends for the Canadians are naturally kind and decent.
> Remember this, Canada is a paradise for children and if your heart is lonely for

> "old friends and for the sweet smelling English countryside live for your children and make their happiness yours. Above all, realize that you are builders of Empire as much as our ancestors who went out there and blazed the trail through virgin forests and by rivers without an end.
>
> And if you have any serious complaints write to Prime Minister George Drew if you happen to live in Ontario."

So that sets him up as a solomon who can solve disputes.

I see there has been a determined effort to bring immigrants, before the time a year has expired after this war. I quote His statement in the London Times: "let them all come. We have a population of twelve millions, and could easily have fifty millions."

Now, if you think there is no effort being made to induce these people to come to Ontario, let me read the heading, written by his own organization in England, drawing a brief picture. This is what his own apointee said, James P.Armstrong:

> "After five years in Briton, in August I visited Ontario, Mt home; it was like going to another world, a fairyland, and you may be interested in what I say, -- crowded streets with everyone in Palm Beach summer suiting and straw hats, women in light coloured organdies, sandy beaches throughout our lake district, crowded with people basking in the hot sun; peaches, grapes, melons, and tobacco being left to rot for want of labour to harvest the crop;" --

and my friend, just the other day, was wondering what had happened to our tobacco, --

> "..everybody working, no unemployed, high wages -- high standard of living, all confident of their future, all participating in sport and yet all busily angaged in various forms of war effort. We are proud that in spite of our maintenance of peacetime amenities our province alone has contributed over fifty per cent of Canada's entire war effort. We are British to the core and with your help intend to remain that way. When you come to us it will be like

> "moving from Devon to Kent -- we speak the same tongue, have the same respect for law and order, the same fundamental outlook on life, honour the same flag and sing "God Save the King" with the same vigor and reverance. In fourteen hours after leaving Canada I was again in Britain."

Now, I think I have established that you are there trying to mislead the people of Ontario, or to mislead the people in England. There is a gigantic scheme under way, with which I shall deal in a few moments.

Page 797 follows)

MR. DREW: Mr. Speaker, just to keep this on the track, the hon. member for Elgin (Mr. Hepburn) has, of course, been quoting from an article which, as I have said, was written without my knowledge, just as some of the very choice articles about him were written without his knowledge, and whose authenticity he has questioned very vigorously. He was not quoting my statement; he was quoting somebody else's. I stand by any statement I have made, and I do not in any way reserve any statement as to the fact that, in speaking of Ontario, I spoke of the tongue we speak, because the language of Ontario officially is English, and I have no hesitation in saying so.

I want to say this, that the whole statement that has been made, has been made for the purpose of creating an impression, tied to an earlier statement, as to what our motives are, and I think before he goes much further the hon. member for Elgin should explain to this Legislature why when referring to Quebec he said, "The tail cannot wag the dog forever; if it does, this nation is doomed."

MR. HEPBURN (Elgin): I do not think there is anything so offensive in that, compared with the address made by the hon. Prime Minister (Mr. Drew) on the 9th of August last, deliberately trying to create national disunity, and to create a devil's brew, as I have said before.

After he made his speech -- and I am now quoting from Mr. J. H. Fisher, who wrote from Ottawa the following day -- the day following the address which the hon. Prime Minister is now trying so hard to get out of by referring to what I have said about the Right Hon. Mackenzie King. Well, no matter what I may have said about him, I have never tried to oust him as the leader.

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SOME HON. MEMBERS: Oh, oh.

MR. HEPBURN (Elgin): Can't you "take it" over there, for a little while?

The day after he made that famous speech, on August 9th, a speech which he is now trying to break away from, Mr. Fisher, the Telegram observer in Ottawa, a parliamentary correspondent, said:

> "Bringing out baby bonus as major political issue is sensation at Ottawa.
>
> "To follow Drew lead could mean Tory sweep in eight of nine provinces is view expressed -- English-speaking Canadians said ready for showdown over Quebec rule."

So, time and again, we find the hon. Prime Minister making efforts to create national disunity in this country, not only amongst the people of Quebec, but throughout the rest of Canada, amongst other minorities, and I think one of the most offensive things he has done is the very thing he prided himself about a few minutes ago, in reference to this religious education in the schools. If he had any thought of going ahead with it, he would have laid down a definite policy. As it is now, you cannot make head nor tail out of it.

MR. DREW: May I ask the hon. member if he has read the textbook?

MR. HEPBURN (Elgin): Yes, I have it here. I wonder if the hon. Prime Minister has read it, because if he has, he would not have asked me to refer to it, because I will show how asinine the thing is.

Here it is, at page 25:

> "No pupil shall be required to take part in any religious exercises or be subject to any instruction in religious education to which objection is raised by his parent or guardian."

So, here we have perhaps one little fellow, maybe of Jewish birth, sitting in school, and when they start in with religious education, he has to sit with his face to the wall or something. Then it goes on:

> "In schools without suitable waiting rooms or other similar accommodation, if the parent or guardian applies to the principal for the exemption of his child or ward from attendance while religious exercises are being held or religious education given, such request shall be granted."

So he can get out, if he wants to.

Then subsection (c):

> "If the parent or guardian objects to his child or ward taking part in religious exercises or being subject to instructions in religious education, but requests that he shall remain in the schoolroom during the time devoted to such education, the teacher shall permit him to do so, provided he maintains decorous behaviour."

So there he is permitted to sit in, but takes no part, but just be amongst those present.

Well, you can go on and on. We are protesting against that, and we shall register our protest in no uncertain way, in a few minutes.

Now, Mr. Speaker, I want to speak for a moment to my friends of the C.C.F., because I gave notice of motion to-day to repeal the Optometry Act. I know this Act was put through last year by the hon. member who is now the hon. Minister of Planning and Development (Mr. Porter). He was not a Minister at that time; it was a private member's bill. It was put through to fulfil the pre-election pledge.

Now, the hon. member for St. David (Mr. Dennison) has spoken of the little children. Well, we had the responsibility of feeding and clothing them, and taking care of their medical needs and dental needs, including the buying of eye

glasses, and we found a nefarious situation existing, because under an old Tory statute the optometrists of the province were able to fleece the public to their heart's content. There was a furore of protest, and rightly so, at the extreme powers they had vested in their organizstion by the Tory government of some years before. They were even able to penalize and to withdraw the licences of optometrists offending, by selling eye glasses at a reasonable price. So, with the support of the House we were able to pass a measure giving greater freedom to the optometrists and removing from their backs this thing which was pressing them down, and which was allowing certain of them to fleece the purchasing public to their heart's content.

Well, along came the election, and as I said last year when I opposed the amendment which restored this same extreme exploiting power to the optometrists -- I read the letter which committed the Government with the exception of two members, who are sitting opposite me, the hon. member for Beaches (Mr. Murphy) and the hon. member for Huron (Mr. Taylor), and to them I want to pay my tribute because they did not fall in line. This was a commitment written by the hon. Prime Minister of this province, in which he said:

> "I have been informed of the intolerable treatment which your profession has received at the hands of the Liberal Government --"

The "intolerable treatment" being forced to compete and sell eye glasses to men, women and children at a reasonable price. Then he goes on:

> "This is in marked contrast to The rapid improvement in the status of your profession which occurred under the previous Conservative regime."

No wonder they "improved it." They could charge $20, or $30, or $40, or $50 for eye glasses worth about $5.

> "If the Progressive Conservative party is returned to power I promise a full investigation of the Optometry Act, so that it will be in keeping with the democratic principles for which we are fighting."

Oh, how glibly the hon. Prime Minister talks about "democratic principles." He even has them in the eye glass business now.

> "With this in view I trust you will not only use your vote for the Progressive Conservative candidate in your riding, but also will exercise your influence on behalf of the Conservative party personally."

What has happened since then? I have a file here. There has been a wave of protest from all over Canada, newspapers -- even including the Globe and Mail -- have taken vicious exception to the measure passed by the Government, and with the support of my good friend sitting at my right.

I know the hon. Minister of Health (Mr. Vivian) has not had the courage to implement the commitments made by his leader. I know he has not permitted them to abolish advertising, and I will make sure that the affair is taken out of their hands, and for that reason I have given notice of motion to amend the bill, putting it back where it was when there was free competition in the eye glass business.

Now, Mr. Speaker, I will not take much more of your time. I am just going to say that I have probably erred again to-day in dealing with personalities. I know that I have the face of the hon. Prime Minister very red, but he has had me in that position occasionally, you know -- "An eye for an eye; a tooth for a tooth."

But we have a wonderful country here in Canada. We

have free schools; we have responsible government; we have the machinery with which to maintain a trained democracy; we can produce far in excess of our own requirements, and that being the case, the only thing that remains is national unity, and I hope that no issue will be created in this province which will stir up race against race and creed against creed.

The hon. Prime Minister has asked to concentrate all of our efforts on the war. We gave him the green light a year ago, and told him to go ahead, and in appreciation he said, "If you do not like what I am doing, all you have to do is challenge me and we will let the people decide." Well, Mr. Speaker, I do not know whether we are at that point or not, but if the time comes to challenge the hon. Prime Minister I will not hesitate one iota, because I feel that the interests of the people of Ontario are paramount to the aggrandizement of any political party, even in war time. I hope that an election can be obviated, at the same time we will not become a political nonentity in this House, so we will fight these things which we think are in the interests of the people as a whole. And, I may say, we will fight them on the hustings as well.

Now, Mr. Speaker, I have an amendment here, if I can find it --

MR. VIVIAN: How about some eye glasses?

MR. HEPBURN (Elgin): I must have thrown it away. Oh, here it is. I move, seconded by Mr. Nixon, that the amendment now before the House be amended by adding thereto the following words:

"This House further regrets:

1. That the Government has reversed our traditional policy of non-secretarian public schools by introducing a program

of religious education which has caused disunity among large sections of our people, and has thereby violated the cherished democratic right of each to worship according to his conscience, free from interference by the State;

2. That the Government, without any mandate from the Legislature, has given ill-considered encouragement to large-scale immigration before providing adequate safeguards to ensure full employment for our war veterans and present war workers."

MR. DREW: I just want to direct attention to one more thing the hon. member for Elgin said with regard to charging us with breach of faith. The remarks which he ridiculed, and which he read into the record on religious education in the schools was in force while he was the Premier, relating to the religious education then being adopted.

MR. A. A. MacLEOD (Bellwoods): Mr. Speaker, in view of the lateness of the house, I move the adjournment of the debate.

MR. DREW: Mr. Speaker, I do not think we should have an adjournment of the debate now. We still have thirty-five minutes.

Motion negatived.

MR. MacLEOD: Mr. Speaker, I am challenging the ruling on the vote.

MR. SPEAKER: Well, I heard more nays than ayes. Do you wish the vote recorded?

MR. DREW: Mr. Speaker, if the hon. member for Bellwoods (Mr. MacLeod) does not desire to go on, then I certainly do not wish to create an issue on this, and we can start sitting at nights and hear the Liberal-Communist tie-up on other occasions.

MR. MacLEOD: You cannot "take it." Mr. Speaker, on

that point, what I have just done in moving the adjournment of the debate, as every hon. member in this House knows, is a very customary procedure, and very, very rarely does anyone go on to speak in a major debate of this kind at five-thirty in the afternoon, and the hon. Prime Minister knows it, and he would be the last man in this House to start speaking at five-thirty o'clock. He did the other day, and talked a lot of nonsense, which you could have said in two minutes.

MR. DREW: Of course, I pay no attention to what the hon. member for Bellwoods has just said, but I started speaking the other day, because of a very planned interruption, at a quarter to six.

MR. H. C. NIXON (Brant): You were simply continuing the debate.

MR. MacLEOD: You said absolutely nothing in half an hour.

MR. HEPBURN (Elgin): I thought we challenged your ruling, Mr. Speaker.

MR. JOLLIFFE: I know the ruling was challenged, but with the consent of the House I would like to say this: I do not know -- and I would like to know -- whether there was any understanding between the Whips on this matter and, another thing, without endorsing all the hon. member for Bellwoods (Mr. MacLeod) has said, it does seem to me that when a party leader gets his turn in a debate as important as this debate, it is customary to concede something to his convenience, particularly when the House is meeting as late as it is to-day. The other day, the hon. Prime Minister chose to go on at a quarter to six.

MR. NIXON: He did not commence his address then.

MR. JOLLIFFE: Had the hon. Prime Minister desired to

adjourn the debate at that time, I do not think any hon. member of this House would have objected.

MR. MacLEOD: And he knows that.

MR. DREW: I said, Mr. Speaker, I would not raise any objection if the hon. member for Bellwoods is not ready to go on. We can easily overcome that by evening sittings. I move the adjournment of the House.

MR. JOLLIFFE: May I ask the hon. Prime Minister to indicate to the House what will be the nature of the business to-morrow, and it may also be convenient for him to indicate at this time whether the debate just adjourned will be continued on Thursday.

MR. DREW: Yes. The debate will certainly be continued not later than Thursday, and possibly to-morrow, if we finish other business in time.

Motion agreed to and the House adjourned at 5.30 o'clock p.m.

THE LEGISLATIVE ASSEMBLY

FIFTEENTH DAY

Toronto, Ontario,
Wednesday, March 7, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

HON. LESLIE M. FROST (Provincial Treasurer): I beg leave to move, seconded by Mr. Drew, that this House will, on Friday next, resolve itself into a Committee of Supply.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): Before the motion carries, would the hon. Provincial Treasurer explain the course he is taking? Is this the same course that was taken last year?

MR. FROST: I do not think there is any difference. By next Friday we will be at the commencement of the fourth week of the sittings of the House, and the fiscal year ends on March 31st, and I think that the leader of the opposition (Mr. Jolliffe) will acknowledge that we have financial matters of some importance to be considered at this Session and at this time. The purpose of introducing the motion at this time is to place before the House the financial position of

the budget of the province.

As regards procedure, we are following, identically, the same procedure as was followed in 1942.

MR. JOLLIFFE: The hon. Provincial Treasurer will be making his budget speech on Friday?

MR. FROST: Yes

I beg leave to move, seconded by Mr. Drew, this House will, on Friday next, resolve itself into a Committee of Ways and Means.

MR. MITCHELL F. HEPBURN (Elgin): This is unusual procedure. I might say, as a matter of fact, it is customary to conclude the addresses in reply to the Speech from the Throne before bringing down the budget, and I want to protest against this unusual procedure. Our group is prepared to vote against this motion. I do not see any undue haste. There is an amendment and a sub-amendment which may determine the fate of the Government, and I think we should vote on this particular measure before any further action is taken.

MR. SPEAKER: Is it the pleasure of the House the motion shall carry?

SOME HON. MEMBERS: Nay.

MR. JOLLIFFE: Does the hon. Provincial Treasurer (Mr. Frost) have in mind that when he makes his budget speech on Friday the debate customarily known as the budget debate will follow? And, what has he in mind with respect to the debate now in progress on the Speech from the Throne? I think we might be clear about this if we knew just what the Government has in mind on those points.

HON. GEORGE A. DREW (Prime Minister): We have no intention of in any way interfering with the procedure. It is the intention to present the budget and then provide ample

opportunity to deal with the debate on that. The leader of the opposition (Mr. Jolliffe) will recall last year there was some criticism, and I think with merit, of the necessity for crowding things too closely together at the end of the Session, and by following this course it will be possible to bring in estimates separately, and discuss them in an orderly way.

MR. JOLLIFFE: I quite agree, (and I think all those in this group do,) that more time should be devoted to the estimates and I would like to facilitate that course but having spoken myself at some length, I am a little concerned about the position of the hon. members who also wish to participate in that debate, and I think it is only fair as I made, perhaps, the longest speech, — I would like some assurance that the other hon. members will have a reasonable opportunity to speak on the motion and the amendment during the next week or two.

MR. DREW: I can assure the leader of the opposition there is no thought, whatever, of restricting, by a minute, the time of any hon. member of the Legislature who wishes to speak on the debate on the Speech from the Throne or on the budget debate. I will be very happy to meet the convenience of the Legislature as to setting aside time to carry forward the debate on the Speech from the Throne, but this course is anticipated to make it possible to present estimates in an orderly way by putting the budget forward in this way.

MR. HEPBURN (Elgin): There is no use disguising the fact this is obviously an attempt on the part of the Government to throttle the debate on the Speech from the Throne, and, as far as our group is concerned, we are voting against this measure right now, and I think you should call the members.

MR. SPEAKER: Is it the pleasure of the House that the motion shall carry?

SOME HON. MEMBERS: Yea.

SOME HON. MEMBERS: Nay.

MR. SPEAKER: Call in the members.

The House divided on the motion which was carried on the following division:

YEAS	NAYS
Mr. Drew	Mr. Hepburn (Elgin)
Mr. Doucett	Mr. Nixon
Mr. Blackwell	Mr. Oliver
Mr. Frost	Mr. Laurier
Mr. Kennedy	Mr. Gordon
Mr. Dunbar	Mr. Patterson
Mr. Vivian	Mr. McEwing
Mr. Thompson	Mr. Murray
Mr. Daley	Mr. Belanger
Mr. Porter	Mr. Kelly
Mr. Acres	Mr. Miller
Mr. Murphy	Mr. Downie
	Mr. Begin
Mr. Taylor	Mr. Dickson
Mr. Scott	Mr. Duff
Mr. Stewart	Mr. MacGillivray
Mr. Dent	Mr. MacLeod
Mr. Arnott	Mr. Salsberg
Mr. Duckworth	Mr. Alles
Mr. Murdoch	Mr. Hancock
Mr. Roberts	
Mr. Hepburn (Prince Edward)	
Mr. Reynolds	
Mr. Patrick	
Mr. Goodfellow	

Y E A S

Mr. Hall

Mr. Hanna

Mr. Martin

Mr. McDonald

Mr. Johnston

Mr. McPhee

Mr. McIntyre

Mr. Robson

Mr. Jolliffe

Miss Macphail

Mr. Lockhart

Mr. Leavens

Mr. Bennett

Mr. Anderson

Mr. Millard

Mr. Casselman

Mr. Harvey

Mr. Steel

Mr. Taylor (Temiskaming)

Mr. Warren

Mr. Mitchell

Mr. Connor

Mr. Strange

Mr. Dennison

Mr. Grummett

Mr. Kehoe

Mr. Robertson

Mr. Robinson (Port Arthur)

Mr. Brown

Mr. Thornberry

Mr. Carlin

Y E A S

Mr. Cook

Mr. Riggs

Mr. Overall

Mr. Docker

Mr. Smith

Yeas: 60. Nays: 20

MR. SPEAKER: Introduction of Bills.

MR. WILLIAM DENNISON (St. David): Mr. Speaker, I beg to move, seconded by Mr. Kehoe (Cochrane North) for leave to introduce a bill intituled an Act to authorize the appointment of an Ontario Fuel Commission.

Motion agreed to and Bill read the first time.

MR. CHARLES H. MARTIN (Haldimand-Norfolk): Mr. Speaker, I beg leave, seconded by Mr. Murdoch (Essex South) to introduce a Bill intituled An Act respecting the Ontario Music Teachers' Association, and that the same be read the first time.

Motion agreed to and Bill read the first time.

MR. HARRY C. NIXON (Brant): Mr. Speaker, I think the House would be interested in the appointment of a fuel commission.

MR. DENNISON: Mr. Speaker, this is an Act which would authorize the setting up of a body who would do for wood and fuels the same as is now done by the Hydro for hydro power. The Bill would assure this Province of a properly planned supply of fuel in winter and summer. It would look after the wholesaling of that fuel, and it would see that dealers are supplied with proper supplies of fuel.

MR. HARRY C. NIXON: How do you propose to pay for the cost of the commission?

MR. DENNISON: In the same way as we pay for the Hydro. This Bill does not spend any money, but when the Legislature

(Page 813 follows)

or the government so decide they may authorize that this group of people be set up who will do for fuels just about what has been done for hydro. Hydro has saved the people of this Province twenty-five million dollars a year. This board might not save so much money, but it would serve just as useful a function.

MR. G. ANDERSON (Fort William): Mr. Speaker, I beg to move, seconded by Mr. Taylor, that leave be given to introduce a Bill intituled An Act to Amend the Municipal Act and that the Bill be now read the first time.

Motion agreed to and Bill read the first time.

HON. G. H. DUNBAR (Provincial Secretary): May we have an explanation of that Bill?

MR. ANDERSON: It is just permissive while the war is on.

HON. GEORGE H. DOUCETT (Minister of Public Works): Mr. Speaker, I move, seconded by Mr. Frost, that leave be given to introduce a Bill to amend the Dog Tax and Live Stock Protection Act, and that the same be now read the first time.

Motion agreed to and Bill read the first time.

MR. ROBERTS: Mr. Speaker, I move, seconded by Mr. Hepburn (Prince Edward), that leave be given to introduce a Bill intituled An Act to authorize the Corporation of the City of Toronto to Plan and Zone the Municipality, and that the same be now read the first time.

Motion agreed to and Bill read the first time.

MR. ROMEO BEGIN (Russell): Will the Honourable the Minister explain the Bill to amend the dog tax and live stock protection Act?

MR. DOUCETT: This is only an Act to provide for a by-law to pay for sheep killed by dogs and wild animals. This has been recommended by County Councils and others.

MR. G. H. MITCHELL (North York): Mr. Speaker, may I ask a question of the Hon. Minister? While the point has not been recognized in the past, the provision should extend to human beings. We had an experience about a month ago where a dog attacked a news boy and the boy was badly bitten up; and the owners of the dog had not the ability to pay damages. Many letters have been received pointing out the very thing that I am pointing out now that if indemnity is to be paid for animals damaged, the same arrangements should be made for damages to individuals.

MR. A. KELSO ROBERTS (St. Patrick): Mr. Speaker, I move, seconded by Mr. Hepburn (Prince Edward), that leave be givem to introduce a Bill entituled An Act respecting the City of Toronto, and that the Bill be now read the first time.

Motion agreed to and Bill read the first time.

HON. G.H. DOUCETT (Minister of Public Works: Mr. Speaker, I move, seconded by Mr. Frost, that leave be given to introduce a Bill entituled An Act to Amend the Statute Labour Act, and that the same be now read the first time.

Motion agreed to and Bill read the first time.

CLERK OF THE HOUSE: This is a Bill entituled an Act to amend the Statute Labour Act. The first reading of the Bill.

HON. GEORGE H. DUNBAR (Provincial Secretary): Mr. Speaker, I move, seconded by Mr. Vivian, That leave be given to introduce a Bill entituled An Act to Confirm Tax Sales, and that the same be now read the first time.

Motion agreed to and Bill read the first time.

MR. DOUCETT: Mr. Speaker, I move, seconded by Mr. Frost, that leave be given to introduce a Bill entituled An Act to amend The Bees Act, and that the same be now read the first time.

Motion agreed to and Bill read the first time.

AN HON. MEMBER: Mr. Speaker, will the hon. Minister explain the Bill?

MR. DOUCETT: I might say, and I quote Mr. Dennison, that it is a further exploitation of the bees. It gives the Minister permission to designate an area for the raising of Queen Bees, and also the registration of bees coming in from outside Ontario, to be registered with the Apiarist of the Department of Agriculture, at Guelph; and also regulating the shipping of bees and the food that must be fed.
No honey must be with them, but candy.

MR. M. F. HEPBURN (Elgin): Mr. Speaker, I want to remind the House that a moment ago we voted to allow the

government to bring in its budget on Friday. I ask for your legal ruling. I have before me now Beauchesne's Rules and Forms of the House of Commons of Canada, of 1943, where it is very properly pointed out that the House shall appoint a Committee of Supply and Ways and Means at every Session as soon as the Address has been agreed to.

In other words, this House has that business upon its program and that issue is under debate. There was an amendment moved by the leader of the opposition (Mr. Jolliffe) and a sub-amendment moved by myself. And, before the government is entitled to proceed any further, before its vote is decided, it comes in a cowardly manner to this House and asks to introduce its budget into the debate.

I refer to our own rule 114:

> "The Committee of Supply and of Ways and Means are appointed on motion, without previous notice, at the commencement of each Session, as soon as an address has been agreed to in answer to the speech of the Lieutenant-Governor."

I do not happen to be a lawyer, but I can certainly interpret the rules of the Dominion House and of our own House.

MR. EDWARD B. JOLLIFFE (York South): Is it a rule or an interpretation of the rule?

MR. HEPBURN: It is rule 114, and I shall read it again, because I know that the House voted altogether out of order in a despicable attempt to get away from the discussion of its own program.

This is Rule 114, and, Mr. Speaker, you have said many a time that you do not make the rules but you interpret them. Interpret this one for me, please:

"114. The Committee of Supply and of Ways and

> "Means are appointed on motion, without previous notice, at the commencement of each Session, as soon as an address has been agreed to in answer to the speech of the Lieutenant-Governor."

MR. JOLLIFFE: Mr. Speaker, the wording of the rule, which my friend has just read, does not correspond with the wording of the motion which has been voted on to-day. The members of this group are anxious to have the fullest discussion on the debate on the Address. As a matter of fact, I referred to that important consideration earlier this afternoon. But, Mr. Speaker, I think the House also will remember that last year the Provincial Treasurer introduced the budget on, I think, the sixteenth day of March. From time to time between the sixteenth day of March and the first day of April the House was in Committee to consider the estimates. We did not consider that we had enough time to go into the estimates and consider them as they should have been considered. In fact, I made some objection to taking the estimates as rapidly as they were taken towards the close of the Session; and we got no support whatever from my friend and his group. Since that time they have, somewhat timidly, emerged.

The members of this group voted in favour of the motion on the distinct understanding that the Speech from the Throne debate would continue both for this group and for other groups who wished to continue the debate on the Throne speech. At the same time, we welcome the bringing in of the budget at the earliest possible time, for the simple reason that we want the budget to receive the fullest consideration of this House.

With all respect to the rules, I do not think this House should allow itself to be bound by any rule in this regard.

A little while ago, when we were informed that this procedure was followed in 1943, not a single member of the Liberal group raised the slightest objection, although they were here in 1943.

MR. A. BELANGER (Prescott): Mr. Speaker, the speech of the Hon. member (Mr. Jolliffe) is altogether out of order. He is talking to the speech on the budget; and we are talking about going into Committee on Supply before the Speech from the Throne is passed

I was perfectly well aware that we were out of order, but I did not at the time have before me the documents. I sent for them as quickly as I could and now we have them before us; and it is altogether out of order.

The argument has been put forward that we must have the budget as soon as possible. Let me remark this, when it was time and it was in the procedure and in the routine proceedings that we should discuss the Speech from the Throne, what did we have? We were brought into Committee here to consider bills on elections and the laws of elections, and the law as to voters' lists, and we discussed those, so as to postpone, it was evidently the idea to postpone as far as possible the discussion on the Speech from the Throne. Why was that done, if we were in such a hurry to bring in the budget, and the members of the government had been so keen in seeing that the proper procedure was followed in this House, they should have rushed the discussion on the Speech from the Throne. Instead of that they have brought in these Bills which well could have waited until after the Speech from the Throne; but they brought them on on Wednesday and Thursday instead of the Speech from the Throne. Why should that have been done if the object was to bring on the budget debate, but

they should have first brought the Speech from the Throne debate to an end as soon as possible, so as not to have the same trouble that we had last year. If it was so necessary to give the House plenty of time to discuss the estimates, and if it was very important not to have the same trouble as we had last year as to estimates, then why did not the government hurry and get the speech from the throne debate through as soon as possible? They did not do that, but they brought to our attention the Voters' List Bill, the Elections Act, and so on, and now they come before us quite wrongly; and it has been said on this side of the House that there should be no technicalities. Mr. Speaker, it is not a technicality. These rules are the result of years and years of British parliamentary experience.

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The rules have been devised to deal with abuses that formerly took place, and these rules have grown upon us. I think, Mr. Speaker, that we should either discard the rules or else follow them, and follow them strictly, because they are the crystallized result of centuries of parliamentary experience. I am not any more British than the Prime Minister of this province. Nevertheless I hold to British institutions, and especially to these rules of British parliamentary institutions. Our Legislatures have come from the Mother of Parliaments in Britain, and I have the greatest admiration for the British parliament and its rules. Therefore I shall not swerve from them, and so far as I can prevent it I shall not allow this House to swerve from them, although as a matter of fact we are doing it every day on other matters.

I think that the point of order that has been raised is well taken. I think that the whole procedure on this question to-day and the vote that has been taken upon it was absolutely out of order. We have first of all the rules of our own House and then we have the rules of the House of Commons. We have also the interpretations of the rules given by Beauchesne, Bourinot, May and Lewis himself, and I think we should abide by those rules and by the practices of parliament especially in critical times such as those through which we are passing to-day.

MR. JOLLIFFE: May I ask the hon. member a question. Would he give us an authoritative opinion as to what occurred in this House in 1943 when he was a member of the House? I would like him to tell us about that.

MR. BELANGER: Certainly. If I did let something irregular pass on that occasion, I did not happen to be as well versed in the rules.

The rules have [illegible]
took place, and [illegible]
Mr. Speaker [illegible]
follow them, [illegible]
crystallized [illegible]
I am not any [illegible]
providing [illegible]
especially to the [illegible]
tions. Our [illegible]
Parliaments [illegible]
for the sitting [illegible]
shall not sever [illegible]
I shall [illegible]
as a [illegible] for [illegible]
tera.

I [illegible]
is well taken [illegible]
question to-day [illegible]
was about to [illegible]
rules of our [illegible]
House of Commons [illegible]
rules given [illegible]
and I will [illegible]
practices of [illegible]
as those th[illegible]

Mr. [illegible]
Would be [illegible]
in the [illegible]
would like [illegible]

Mr. [illegible]
irregular [illegible]
well [illegible]

SOME HON. MEMBERS: Oh, oh.

MR. BELANGER: Hon. members may laugh, but let me tell them that I have before the House now a bill to repeal the legislation that was passed in 1943 by the Government of which I was a supporter. Furthermore because I sinned yesterday, if I agreed to something in 1943 which was irregular, it does not follow that I am going to sin to-day, and if I can prevent this House from sinning, now that I have a little more experience in the rules, I shall do my utmost to prevent the House from recidivating.

MR. JOLLIFFE: May I inform the hon. member that on March 22, 1943, he voted for a motion of this kind.

MR. BELANGER: What difference does that make?

MR. JOLLIFFE: On March 22, 1943, the hon. member and other members of his party voted for the final adoption of the Address, and three days earlier the House had taken up a motion to go into supply.

MR. BELANGER: I have only one thing to add. If the hon. member who has just spoken has so much respect and esteem and consideration for my stand on any particular question that comes up in this House that he will accept my pronouncement and make a new rule superseding the rules of the House, I am quite satisfied. But I have not that presumption, and if I voted wrongly on that particular day in 1943, that is no reason for superseding the rules of the House now. If the hon. member condemns my vote in 1943 he should applaud me now for not wanting to duplicate my vote of that day.

MR. A. A. MacLEOD (Bellwoods): Mr. Speaker, I have no desire whatever to prolong the discussion pending the ruling which you have been asked to give, but I do think that one or two things should be cleared up.

When the Provincial Treasurer (Mr. Frost) made his motion to-day it did seem to me he was a little anxious. I am not familiar with parliamentary practice, at least not as familiar as other hon. members of the House, but it did seem very strange to me that a motion of this kind should be introduced before we had really begun to get into the main debate on the Speech from the Throne.

The thing that bothers me is this: Which is going to take precedence over which after the budget has been introduced?

The situation in the House to-day is that a motion for the adoption of an address to the Honourable the Lieutenant-Governor has been moved by a private member ostensibly but it is in reality a Government motion, and to that motion an amendment and a subamendment have been made. The Leader of the Opposition (Mr.Jolliffe) in moving his amendment prefaced it with the remark that he had no confidence in this Government. That is what he said, and therefore it is to be assumed that the Leader of the Opposition intended that his amendment to the motion should constitute an expression of non-confidence in the Government. In my opinion the House should have an opportunity to vote upon that question before it gives the Government a blank cheque to proceed with the budget.

MR. CASSELMAN: We are not going to give any blank cheque. Don't worry about that.

MR. MacLEOD: Just a minute. I do not think the Leader of the Opposition will dissent from this, that the circumstances that exist in the House to-day are a little different from those obtaining in 1943. I am not prepared to say that what existed in 1943 was an improvement over what we have to-day. That is a question that other people

will have to argue. But I do say this, that there are 52 members of this Legislature who sit in opposition to-day and 38 members who sit on the Government benches, and when an unusual departure of this kind is being made and a motion of this nature put forward I think it would have been only courtesy for the Government to have consulted the Leader of the Opposition and the leader of the next largest group if it was the Government's desire to facilitate the business of the Legislature. So far as I know, that was not done; perhaps it was.

MR. HEPBURN (Elgin): No, it was not.

MR. MacLEOD: If the Leader of the Opposition had prior notice of this motion and was satisfied that the Government in making it was acting in good faith, it would have been well that we should have known about that. My own vote against the motion was cast in good faith. I have no desire whatever to obstruct or prevent orderly procedure with the business of the House, but I do say that in view of the circumstances, in view of the fact that something approximating a death sentence has been pronounced on the Government, we should first decide whether that sentence is going to be executed before we proceed with the discussion of the budget.

MR. HEPBURN (Elgin): May I say in reply to my hon. friend that so far as I am concerned, as leader of this group I was not consulted at all in regard to this unprecedented departure on the part of the Government.

MR. JOLLIFFE: I think it is only fair to say that I received no notice whatever of the motion that has been introduced this afternoon, although the Provincial Treasurer (Mr. Frost) did remark to me that he thought it would be a good thing if a way could be found under the rules to get the estimates considered earlier in the session. I do not think

he will mind my saying that. He knows what my views are already about this.

MR. HEPBURN (Elgin): Is this Tory-C.C.F. collaboration?

MR. JOLLIFFE: No, it is not. The question now before the House raised by the hon. member for Elgin is one of order. He relies upon the rules from which the hon. member for Prescott says we have no right to depart. It is not for me to interpret the rules but I do wish to refer to the Votes and Proceedings of this House in 1943, at pages 128, 129 and 153.

On Friday, March 19th, it was on motion of Mr. Gordon, seconded by Mr. Conant:

> "Ordered, That this House will to-day resolve itself into the Committee of Supply."

Later, on page 129:

> "Mr. Conant delivered to Mr. Speaker a message from the Lieutenant-Governor, signed by himself; and the said message was read by Mr. Speaker, and is as follows:"

That was the message transmitting the estimates. I quote further from the same page:

> "The Order of the Day for the House to resolve itself into the Committee of Supply having been read,
>
> "Mr. Gordon moved,
>
> "That Mr. Speaker do now leave the Chair and that the House resolve itself into the Committee of Supply.
>
> "And a Debate having ensued, it was, on the motion of Mr. Macaulay,
>
> "Ordered, That the Debate be adjourned."

That was on Friday, March 19, 1943

Subsequently on Monday, March 22, 1943, as recorded at page 153 of the Votes and Proceedings, this is what happened:

"The Order of the Day for resuming the Adjourned Debate on the amendment to the amendment to the motion for the consideration of the Speech of the Honourable the Lieutenant-Governor at the opening of the Session, having been read,

"The Debate was resumed,and, after some time, the amendment to the amendment, --"

was voted on, and the divisionlist appears on that same page of the Votes and Proceedings. That is the precedent which I submit to Your Honour for the course pursued here to-day.

Finally I want to say this to my hon. friend the member for Bellwoods. I do not care whether the present Prime Minister or the member for Bellwoods or the member for Elgin is the leader of the Government. In any event the House has to consider the budget and vote supply within the near future. It may be that other leaders would take a different course in presenting that budget to the House, but nevertheless the fact remains that the financial year ends on March 31 and the voting of supply cannot be put off indefinitely.

On the point of order I submit that there is a precedent, and I think a sensible one, and I am glad that our friends to my left were sensible enough in 1943 to take the course which was necessary at that time.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, the hon. member for Elgin (Mr. Hepburn), with a return to what many us recall as his concept of parliamentary fitness, has used this afternoon the very type of abusive adjective which did bring the debating level of this Legislature down to a very low point during the time he was Premier of this province. But at least this much can be said for the argument that has been made so far. In 1943 he was not the Premier of Ontario at the time that this course was followed,

and presumably that has something to do with the weight of the argument that he is not bound by an earlier course. Perhaps it could be argued that he had very little control over his party at that time as they got rid of him, even from the cabinet, at that time. But the fact is that the first occasion on which this procedure was followed, this procedure that he terms cowardly and despicable and other things that no one with an orderly mind could possibly imagine --

MR. HEPBURN (Elgin): Oh, no, of course not.

MR. DREW: Really, he gets funnier every day. The fact is that this is not the first time this procedure has been followed. Let me refer to the Votes and Proceedings of 1942, to the record of March 31st, at page 66, where I find this:

> "On motion of Mr. Hepburn (Elgin), seconded by Mr. Nixon (Brant) --"

the member now sitting to his right, in the same lovable position he then occupied:

> "It was ordered that this House will, on Thursday next, resolve itself into the Committee of Supply."

And just to make the record complete, the very next paragraph reads:

> "On motion of Mr. Hepburn (Elgin), seconded by Mr. Nixon (Brant),
>
> "It was ordered that this House will, on Thursday next, resolve itself into the Committee of Ways and Means."

Let us go a little further into the record of that same day, March 31. On page 68 of the Votes and Proceedings of that day I find this:

> "The Order of the Day for resuming the Adjourned Debate on the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

"The Debate was resumed and, after some time, it was on the motion of Mr. Cooper,

"Order, That the Debate be further adjourned until to-morrow."

So this man who loosely describes the course being followed by the Government to-day as despicable, cowardly and unprecedented, followed the very same course himself in 1942 when he was Premier of the province.

MR. HEPBURN (Elgin): But there is this distinction. That was done on March 31st, while the Government's motion to-day is made on March 7th. They are asking us now on March 7th to do something that is contrary to the rules of the House in order to facilitate the presentation of the budget. If the same course was taken in 1942 it must have been done by the unanimous consent of all parties. At that time there were not four different groups in this Legislature.

The situation to-day is that we have before us a motion for an Address to which an amendment has been moved and a subamendment, and so far as the C.C.F. leader is concerned he has said that he has no confidence in the Government. Neither have I. And the two parties which we lead constitute a majority in this House. Until such time as the fate of the Government has been decided upon by voting on the subamendment and the amendment on the motion for an Address I do not think we can properly give a blank cheque to this Administration.

The point of order upon which you are being asked to rule, Mr. Speaker, is whether this whole position taken by the Government is in order or not.

I know, of course, that by unanimous consent of the House we may disregard any of its rules, but before I sit down I should like to quote Rule 114 of the Rules of this House, Parliamentary Procedure in Ontario, by Alex. C. Lewis,

Clerk of the Legislative Assembly of Ontario, and in doing so let me point out that the rule confirms the practice in the House of Commons at Ottawa as established by Beauchesne's Parliamentary Rules and Forms for the senior parliament of Canada. Rule 114 reads:

> "The Committee of Supply and of Ways and Means are appointed on motion, without previous notice, at the commencement of each Session, as soon as an address has been agreed to in answer to the speech of the Lieutenant-Governor."

It is upon that point, Mr. Speaker, that I would ask you to give your ruling.

MR. BELANGER: Even in 1942 and 1943 this House did not depart from the well-known rule just cited because there was no division of the members upon a motion, but unanimous consent was given to suspend the rule. If you introduce a motion that is contrary to the rules of the House the only way in which it can be carried is by unanimous consent. In the case cited from 1943 there was unanimous consent. There was no division, no opposition, and no point of order raised as to the rule. So what happened in 1943 cannot be taken as a precedent to be followed to-day because there has been persistent opposition to the presentation of this motion.

(Page 829 follows)

MR. ROBERT D. THORNBERRY (Hamilton Centre): Mr. Speaker, it is my interpretation of the rules that the rules are laid down for the Legislature, and not the Legislature for the rules.

MR. BELANGER: Quite right.

MR. THORNBERRY: But they should not be so inflexible as not to cover such exigencies. We had a situation yesterday where the House adjourned at 5:30. During the last Session we sat from one o'clock in the afternoon until four o'clock in the morning. I think we might obviate a great deal of the difficulty if we used up that extra half hour in dealing with other matters connected with the business of the House.

MR. DREW: That is my idea, exactly.

MR. THORNBERRY: I think the rules are not so inflexible as not to cover a situation of this kind.

MR. BELANGER: There was no unanimous consent.

MR. SPEAKER: Hon. members, may I say that as I understand this matter there will be no attempt, as far as the Speaker is concerned, to shut off resuming the debate on the Speech from the Throne.

May I refer the hon. members to Section 114 of the Rules, which reads as follows:

> "The Committees of Supply and of Ways and Means are appointed on motion, without previous notice, at the commencement of each Session, as soon as an address has been agreed to in answer to the Speech of the Lieutenant Governor."

You have precedence for this, in 1943, referred to here to-day. The House is supreme. I am the voice of the House. The House, without recorded division, passed a motion of Supply. There was a division on Ways and Means, carried by a majority, and whatever the House does, in my opinion, is correct. It is not my voice, but the voice of the House. I think the motion is in order.

MR. MITCHELL F. HEPBURN (Elgin): Mr. Speaker, we will have to appeal from your ruling. Call in the members. It is

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MR. BELANGER: It is a shameful thing for the Government to stand by that.

MR. SPEAKER: Call in the members.

The hon. member for Elgin (Mr. Hepburn) has appealed the ruling of the Chair. The question is, Shall the ruling be sustained? Those in favour please rise.

The House divided on an appeal from the Speaker's ruling, which was sustained by the following vote:

YEAS	NAYS
Mr. Drew	Mr. Hepburn
Mr. Doucett	Mr. Nixon
Mr. Challies	Mr. Oliver
Mr. Blackwell	Mr. Laurier
Mr. Frost	Mr. Gordon
Mr. Dunbar	Mr. Patterson
Mr. Vivian	Mr. Miller
Mr. Thompson	Mr. Kelly
Mr. Daley	Mr. Belanger
Mr. Porter	Mr. Murray
Mr. Acres	Mr. McEwing
Mr. Murphy	Mr. Begin
Mr. Reynolds	Mr. Dickson
Mr. Hepburn (Prince Edward-Lennox)	Mr. Duff
Mr. Roberts	Mr. MacGillivray
Mr. Murdoch	Mr. MacLeod
Mr. Duckworth	Mr. Salsberg
Mr. Arnott	Mr. Alles
Mr. Dent	Mr. Hancock
Mr. Downer	Mr. Williams
Mr. H. A. Stewart (Kingston)	
Mr. Scott	

YEAS	NAYS
Mr. Taylor (Huron)	
Mr. Patrick	
Mr. Goodfellow	
Mr. Hall	
Mr. Hanna	
Mr. Martin	
Mr. McDonald	
Mr. Johnston	
Mr. McPhee	
Mr. McIntyre	
Mr. Robson	
Mr. Jolliffe	
Mr. Bennett	
Mr. Leavens	
Mr. Lockhart	
Miss Macphail	
Mr. Anderson	
Mr. Millard	
Mr. Casselman	
Mr. Harvey	
Mr. Steel	
Mr. Taylor (Temiskaming)	
Mr. Kehoe	
Mr. Grummett	
Mr. Dennison	
Mr. Strange	
Mr. Connor	
Mr. Mitchell	
Mr. Warren	
Mr. Robertson	
Mr. Robinson (Port Arthur)	

YEAS

Mr. Taylor (Norm)

Mr. Patrick

Mr. Goodelow

Mr. Hall

Mr. Munro

Mr. Hertig

Mr. McDonald

Mr. Johnston

Mr. [illegible]

Mr. McIntyre

Mr. Dobson

Mr. Jolliffe

Mr. Bennett

Mr. Jenkins

Mr. [illegible]

Miss [illegible]

Mr. Anderson

Mr. Millard

Mr. [illegible]

Mr. Harvey

Mr. Stone

Mr. Taylor (Tonk[illegible])

Mr. [illegible]

Mr. Ormsby

Mr. Dansiano

Mr. Strange

Mr. Connor

Mr. Mitchell

Mr. [illegible]

Mr. Robertson

Mr. Roberson (Poc[illegible] Arthur)

YEAS	NAYS
Mr. Brown	
Mr. Thornberry	
Mr. Carlin	
Mr. Cook	
Mr. Riggs	
Mr. Overall	
Mr. Docker	
Mr. Smith	

YEAS: 59. NAYS: 21.

MR. SPEAKER: Orders of the Day.

HON. GEORGE A. DREW (Prime Minister): Order No. 23.

CLERK OF THE HOUSE: The twenty-third Order. Resuming the adjourned debate on the motion for the second reading of Bill No. 41, "The Securities' Act, 1945", Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker and hon. members, in resuming the adjourned debate on second reading of the Securities' Act of 1945, I will remind the hon. members that at the adjournment of that debate I had completed indicating to the House the extent to which this bill implemented or varied or failed to follow the recommendation contained in the report of the Royal Commission on Mining.

Having come to that point, I will now proceed to indicate to the House and discuss the limited number of principles that have been included in the bill, but which were not recommended by the report. They are few in number, and quite simple.

The first of these is that under the existing regulations under the present Securities' Act there is contained a prohibition directed against making any reference in a circular issued in connection with a security, that application will be

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made, or that such a security will be listed on the Stock Exchange. The fact of the matter is that the investing public attach considerable importance to the question of whether or not a security will be listed on the Exchange, the reason being obviously that if the security is unlisted its market value is uncertain, and no ready market is available for that security.

Under these circumstances, the proposed bill contains the provision that a reference to listings may be made in a circular or a prospectus, provided that the approval of the Commission is obtained. It is a matter, possibly, to determine by the Commission as to whether or not a particular security has those qualifications which will enable the security to become listed. It is also possible to obtain from the company issuing the security, or the company which has in the past issued the security, undertaking or agreeing that at the conclusion of the listing of the security an application will, in fact, be made. With these safeguards, and all these circumstances, it is believed to be a salutary thing that the public are told whether or not a security will be listed.

Another simple principle incorporated in this bill is a provision prohibiting any person from holding himself or representing himself to be a person entitled to trade in securities in the province of Ontario.

The purpose of that provision is rather simple and obvious; it is to enable the Commission to "nip in the bud" a person who attempts to engage, or takes any step in the direction of engaging, or holds himself out as being entitled to engage, in the business of dealing in securities when he is not.

Another provision, - and this one is of some importance, - is this: those who have carefully examined the bill will have noted there that a system of Stock Exchange audits is set up, of

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two types, the regular audit and a "spot" audit, and it is provided, in the case of non-member brokers, in this bill, that there will be more than the regular periodic audits made, according to the provisions of the Act, but it will enable the Commission, as well, to set up for this province "spot" audits on the same principle as the "spot" audits on the Exchange.

Now I come to the final inclusion in principle, which is of some importance. Under the present Statute there is a declaration of a number of matters constituting fraud. Those provisions have always been, to put them at their highest level, of dubious constitutional right. As a matter of fact, there is a decision in the Alberta Securities' Act which provides that a declaration by the Act of what constitutes fraud is outside the legislative competence of a province, and for that reason care has been taken in the drafting of this bill to provide that the acts themselves are declared to be offences which are within the competence of the province, and no effort has been made to declare them to be fraud, which is the subject of criminal law, and thus within the exclusive competence of the Parliament of Canada. I felt I should make that explanation, because those of you who have compared the two Acts will find the disappearance of those sections which declare a substantial number of acts to be fraud.

Now, that brings me to the end of the extent to which this bill implements the report and some other items of principles which are included therein.

I feel at this point I should say this to the hon. members of the Legislature: I made mention of the fact, earlier in my discussion on this bill, that in the Attorney General's Department occasion was created for committees representing representative bodies of those people affected by this Act to make representations.

I even went so far as to pay tribute to the assistance and the cooperation that those different bodies had made available to the Government.

I should now indicate to the House a limited number of matters dealt with by this bill, upon which it would be improper for me to leave the impression with the House that they are necessarily the subject of entire agreement on the part of all people who have made representations.

The first of these I would like to deal with is the question of escrow. I made reference to escrow when I spoke previously on the bill, and again I wish to repeat to the House that we have, in the Commission's report, a specific recommendation to abandon escrowing. I find, however, that there is not one representative organization which has made representations to me but feels that it would be a fatal matter to abandon escrowing of vendors' shares on mining properties that are to be developed.

That being the case, as the responsible Minister of the Crown in this province I am not prepared to recommend that the responsibility should be taken of removing those escrowing provisions which are there to ensure that the treasuries of companies be adequately financed for their objects and are there to prevent masses of shares issued for properties and other considerations being thrown on the market and coming into competition with the shares being sold for financing purposes. Unless I can see my way clear to be assured that the other provisions of the Act would, in themselves, be adequate to ensure the adequate financing of mining properties, I am not prepared to recommend the abandonment of escrowing. I feel I should make that statement and the reasons therefore abundantly clear to this House.

There are a number of people who believe that it might be a benefit, but I must say to this House that there is not one representative body who believes that that is so.

Another objection which has been raised to this Act, and to which I feel I should make reference, (because, no doubt, representations may have been made to some of the hon. members of this House about it,) and that is the provision contained in the Act dealing with two things, - the provision is the same, and the principle is the same, and that is this: the civil remedy that is conferred upon purchasers of securities by the failure to do two things, - in the case of a primary distribution of securities from the treasury of the company, if there is failure to deliver a prospectus, then the purchaser of shares, within a period of one year, if he is still the holder of those shares, has an automatic right to have recision of that contract. The other to which I refer, (and it is the same in principle,) is the question of a person who is in the brokerage business, understood by the public, generally, to be an agent, entering into a particular transaction with members of the public. By that I simply mean a situation where members of the public may well feel that they are employing a broker for the usual brokerage commission, only to have it happen, without their knowledge, that they are sold stock that the broker owns.

(Page No. 836 follows.)

Now, this is not a new principle that is contained in the Act, but the law, for many years, in civil matters, has been well-established, and that law is this: that if a person is employed as a broker, and he sells to a member of the public his own stock, there is no statute of limitations applied as long afterwards as it may be that that member of the public finds that he has been sold the broker's own stock; he has, in law, a right to recision All we have done is incorporated that well-established principle of civil law into the Act as one of the requirements in carrying on the business of being a broker, and, as the situation is similar to the delivery of a prospectus, the remedy is precisely the same, but the civil right of action is modified under the Act, and the broker must be in a position to discharge the onus of having disclosed that he was a principal.

Another principle about which there is considerable difference of opinion is the principle dealing with the prohibition of brokers telephoning to members of the public. I should inform the House that this is not a new principle introduced into the bill by this Government. The principle, initially, found its place in the British Companies' Act.

Following that, the principle was adopted in the Companies' Act of Canada, and from there it found its way into the regulations under the present Securities' Act, so it is not new.

Prohibition, as contained in the regulations, was absolute, and by "absolute" I mean that under no circumstances was a person in the brokerage business permitted to telephone, unless the person telephoned was a business acquaintance or someone with whom the broker had been in the habit of transacting business. On reviewing that, it was felt that that was unduly

restricted, and it was felt that in the provisions of this Act, with which the brokers are required to comply, there should be a relaxation, and that where, as a result of material properly issued by the brokers under this Act they have enquiries, and a member of the public is prepared to invite them to the telephone, it remains unreasonable and an undue restriction of their right to transact business if they are unable to do so under those circumstances.

I want to go a little further, if I may, from just a personal point of view. This is a type of restriction that on the principle, I must say, I dislike. I just feel a natural resistance to the idea that one of the usual agencies of carrying on business, namely, the telephone, may not be freely and completely used, but, on the other hand, we have had, and it is common public knowledge, certain people in the financial business use batteries of telephones to "drum up" business with this disadvantage, that the representations and stories they deliver to the members of the public, to make them part with their cash for dubious securities, without any public record, are incapable of later proof, and that is the only excuse that I know for the prohibition of the telephone, - the fact that there is no way of establishing evidence if it is permitted under these circumstances.

I have here, - and I will indicate to the Legislature, without giving the names, which I do not feel I should do, - but I have a record of telephone calls from a list of twenty-nine investment firms operating in the City of Toronto during the month of January, 1945. It is divided into Ontario, two other provinces, and the United States, and the number of salesmen that made the calls. Ontario comes first, the other provinces second, and the United States third. And then, the

number of salesmen that made the calls, here they are:

Ontario, 500; other provinces, 214; United States, 47; six salesmen.

66, Ontario; 48, other provinces; 85, United States; by two salesmen.

52 in Ontario; 38 in other provinces; 70, United States; by principal.

306, Ontario; 26, other provinces; 244, United States; by eight salesmen.

482, Ontario; 185, other provinces; 5, United States; by thirteen salesmen

21, Ontario; 20, other provinces; 181, United States, by one salesman.

MR. HARRY C. NIXON (Brant): May I ask the hon. Minister (Mr. Blackwell), in this connection would these calls be illegal under the new bill? These calls might have been to friends, may they not?

MR. BLACKWELL: I am quite sure, having regard to the nature of the business and the size of the business and the number of calls, if the hon. member for Brant will exercise his good judgment he may satisfy himself as to whether they were to friends or business associates or whether they were calls to the general public.

The answer to the other question is that at the moment, under the present legislation of this province, the calls made in the province of Ontario would be illegal now without the Act if made to persons other than business acquaintances or a person with whom the broker had an established relationship.

MR. WILLIAM J. GRUMMETT (Cochrane South): I was wondering if all these calls were to residences, about which the Act says: "shall not telephone from within Ontario to any residence". Are you referring to calls to residences?

MR. BLACKWELL: Yes, these are calls to residences.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): They do not include offices?

MR. BLACKWELL: No, no.

I do not think, Mr. Speaker, that I will take the time of the Legislature in reading the whole list of twenty-nine that I have here that are classified in this fashion. I have read sufficient to say they are representative of the whole list.

There is one further principle of the Act about which there is a considerable difference of opinion, to which I should refer, and that is the prohibition contained in Section 15 of the Bill, which requires one year's residence in the province of Ontario before a person is eligible for registration as a broker or salesman. The reason, no doubt, that that restriction was recommended by mining men was upon representations made to that commission of the fact that brokers and salesmen and others from other jurisdictions that were excluded by the security laws of these jurisdictions, or had good reasons for leaving those jurisdictions, were coming to the province of Ontario in large numbers because there was an opportunity to enter a nice "racket".

I want to say to the Legislature now that I, myself, am very dubious as to the propriety of that provision, and I will be very interested in the views of the other hon. members. It does appear to me that that provision may bring back an engaging in business in this province of people with some substance who can make some contribution to the province, and who may, to the benefit of the province, bring substantial sums here for investment, but I am inclined to come to the conclusion that the Commission does, on considering applications for registration, adopt the view freely that where it was unable to get sufficient information with regard to someone coming into Ontario, this might be a ground for refusal of registration, and it would leave it open to the Commission to register those people who obviously should be registered, but who would be precluded by this rule which I am inclined to think is unduly restricted.

I would leave those points with the Legislature. I thought I should make special reference, because they are largely points on which there is some difference of opinion under this bill.

Mr. Speaker, so that the hon. members of this Legislature will not be under the impression that this bill accomplishes more than it is intended to, or constitutionally can do, I should now make another reference to the fact that this Act is designed to be administered in harmony with the provisions of the Criminal Code. I have stated that it is beyond the legislative province of this province to enact criminal legislation, and, therefore, to the extent that crimes proper are perpetrated in relation to security deals, the Securities' Commission of the province of Ontario must also rely on the provisions of the Criminal Code. They, therefore, should be considered side by side with this bill, and by reference the following sections of the Criminal Code are applicable. If the hon. members care to note them for reference, they are Section 404, which deals with false pretenses, and the general Section 406 (2), which deals with false advertising, and Section 407 (2), which deals with a false statement in writing, Section 414, which deals with false prospectuses, Section 444, which deals with the same material as 414, but deals with it from the conspiracy point of view. Those are the sections of the Code which are complimentary, or to which this Bill is complimentary.

Mr. Speaker, I feel that in order that the understanding of this Legislature of this bill should be complete I should make some reference to the practices of the Securities' Commission. In doing so, I do not propose to undertake a long review since the beginning of the Act. I feel it would be quite

adequate if I mention the present administration. I would therefore make this reference to the practice: on the registration of brokers and salesmen, applications have been revised in form in an interim whereby they are required to be sworn instead of just signed. On considering applicants there is now obtained the fullest report, a Dun & Bradstreet report, enquiry from other jurisdictions, and where doubt still remains an examination by an official of the Commission of the applicant.

On the question of investigations, the present practice has been adopted, to be in conformity with what this bill proposes, and, accordingly, two forms of investigation are being followed, - that is, investigations of a complaint by a member of the public in reference to a trade in securities of which that member complained. That type of complaint is now being dealt with on the basis of a sworn complaint by that person. That is reviewed by the Crown Attorney in the district in which that person resides. If the evidence is readily available, there is no necessity of the people having to come to the Commission in Toronto. If the matter indicates the probability of an offence, and further evidence is required, it is sent to the Commission for investigation, and if, in the judgment of the Commission, an investigation is required, an order is made in which two things are done; some one individual is made responsible for the investigation, and the scope of the investigation to be made is determined in the order.

The second form of investigation which this bill contemplates is an investigation, generally, with relation to material statements and conduct, generally, which are true statements filed, advertisements made, or other information that comes to the Commission. There, again, the same principle is followed that before an investigation is ordered there should

be some reasonable indication of the probability of an offence.

At this point I should remind the Legislature that under our system of jurisprudence an investigation is an extraordinary remedy, and, consequently, should never be employed except for the limited purpose that the Act permits.

(Page No. 844 follows)

It should never be employed to enable one member of the public to obtain a free examination for discovery into a matter of disagreement with another member of the public, where there is no possibility in that transaction of an advance in the matter of trade securities.

I also mentioned that consideration had been given to a reconstitution of the Department. I might say that to administer the proposed Act, the Commission will require not a much greater staff, but it will require a more substantial staff to do a job than it has possessed for some time. We will require the Commissioner, the Registrar under the Commissioner, and the Commission itself to be departmentalized, as at the present time it is departmentalized on the matter of dealing with applications and records. It has to have an audit Department, and it has to have an investigating Department; and each of these departments is a sub-department of that commission, and the people must be subject to a clear change of responsibility to the department.

I might also say that at the present time there are three public servants of the Province under the government's undertaking to those in the services that they will resume their functions with the commission on their return back to the service. In addition to that, and including those, the Commission needs at the moment, in my view, in order to do an effective job under this Act, an additional investigator, two junior solicitors, three auditors, and about three more persons in the way of clerical help.

Now, in order to see that picture, for the very brief time during which I have been acting Securities Commissioner in the Province, which is only from November 7th

last, I would like to give to the Hon. members an indication of the business that comes before that Commission. That is, in the brief period from November 7th to February 21st this year there were received the total of applications for salesmen one hundred and sixty-four. The disposition of those was, one hundred and twenty-three of these applications were granted, twenty-six are still under investigation, nine were refused on the basis of false applications; two were refused on the ground of previous records.

During this same period, brokers' applications, -- that is for either individuals or firms, the number of individuals in a firm is here regarded as one application, -- brokers' applications, twenty-three; eighteen of these were granted, two were refused on the ground of previous record, and three are still being investigated.

Now, as to the business done before the commission by brokers and agents, incorporated companies filing material with the commission, one hundred and twenty-two; of these one hundred and fifteen were passed on their first filing, four were passed on a second filing, and three are held.

Securities issuers, that is companies who issue their securities direct without the intervention of a broker, twenty-three were passed on the first filing, two were passed on the second filing, and two are held for further material.

Now we come to this question of complaints on which investigations might or not be made. During the period under review, the number of complaints that were made to the Commission was fifty-five in number from the public. Of these, on examination, twenty-four complainants were advised that there was no infraction under the

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Securities Act or the Criminal Code, nor was there any prospect of bringing such an infraction to light. In seven cases brokers were warned by letters, re telephone or sending telegrams to certain individuals under certain circumstances. Eight complaints were referred to local Crown Attorneys, as a result of which reference three complaints are on trial, with the assistance of the Crown Attorney. Three complaints are still to be investigated, that is without going to the point of an investigating order. Of the fifty-five complaints, eleven resulted in investigation orders being issued by the acting commissioner. These resulted in two directions to brokers under the Securities Act. Six cases are in court or preparation for prosecution under the Securities Act, with charges also in three of those cases under the Criminal Code. Four investigations are still proceeding. One of them was closed out with the report to the complainant that no action by the Commission was warranted. That is the complete record of all complaints made by the public during that time to the Commissioner's.

Now, Mr. Speaker, and members of this Legislature, I am confident that the provisions of the proposed Bill, administered in harmony with the provisions of the Criminal Code, as I have indicated, will give the public of this Province real and actual protection from security frauds.

The whole concept of this Act is to make the broker and dealer deal honestly with members of the public and to disclose to members of the public all the material facts that a member of the public is entitled to have before entering into a trade relating to securities. It is calculated to prevent brokers and dealers and others from occupying positions

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where there is a conflict between duty and interest where persons constituted themselves, or attempted to constitute themselves as trusty financial advisors for other people. The Act is designed to eliminate, in so far as is possible, the discretion vested in officials, and to provide an administration under a definite and ascertained rule of law, which establishes rules of the game known to both the broker or dealer and to the public. It contemplates that the strength and backbone of the Act is the disclosure system, its insistence upon disclosure of facts and records, which create the very record upon which a successful prosecution of the wrongdoer can be based, and its successful administration, as I have said before, is predicated on eliminating the people who should not be in the business, by prosecution under the provisions of the Act and the Criminal Code.

Together with that, and as the Bill might be under examination for a period of time, I would hope that the registration system based on exhausted and careful examination plus the prosecution system, would make it possible for the legitimate broker and dealer in this Province to conduct his business without being subjected to the criticism of a bureaucracy, and at the same time give to the public protection.

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I should say here that the object of this bill or of any similar bill that might properly be brought forward by the Government of this province -- and there should be no doubt on this question -- is not to prevent the speculator from losing money. I repeat that. The object of this bill is not to protect the speculator from losing money. The whole conception of speculation involves the taking of a chance or gamble in the hope and expectation of that gamble being successful, and no man or woman in this province has a right to expect that they can speculate and gamble and at the same time be betting on a sure thing. If they want to speculate for profits on an undeveloped mining project they must also take the risk of losses on failures. Let there be no doubt about that concept.

It is therefore the function of this Government, putting it bluntly, to put the public of this province in the position where they do not play against a marked deck.

I am satisfied, Mr. Speaker and members of this Legislature, that if this bill becomes the law in the province of Ontario we shall have those two very desirable factors, the freedom to transact business without being subjected to arbitrary rules, and at the same time an excellent system of protection against security frauds, and it is therefore with pleasure I move that Bill No. 41 be now read a second time.

MR. E. B. JOLLIFFE (Leader of the Opposition): Mr. Speaker, I have listened with a great deal of interest to the lengthy speech made by the Attorney General (Mr. Blackwell) in introducing this bill. I take no objection to the length of his speech. The bill is an important measure, and we of this group would be very much better satisfied if other bills, perhaps of lesser importance, were also introduced with a full

explanation of the principles upon which the Government stands.

I do not propose to discuss all of the principles to which the Attorney General has referred. I shall deal with only two or three of them now, as I intend to have a good deal further to say when the bill is in committee.

It seems to me that in approaching a measure of this kind there are certain cardinal principles of which we should not lose sight, and I therefore shall briefly direct my attention to those cardinal principles.

In all the long account which the Attorney General gave us of the complexities and difficulties involved in this type of legislation, one great question arises, and that is what is the necessity for sweeping legislation of this kind governing the trading in securities? Many other commodities are traded in day by day, and in most cases the prevention of fraud is left to the provisions of the Criminal Code which the Attorney General described as being complementary to some of the provisions of this bill.

It seems to me the answer is very simple. The reason why it has been found necessary in so many jurisdictions to introduce what is sometimes called blue-sky legislation with respect to securities, the enactment of securities legislation and the setting up of machinery for enforcing those measures is that securities are peculiarly susceptible to transactions which are fraudulent. They are intangible things, and so often, particularly in a province like ours, their value depends upon some expectation rather than upon any value which can be physically demonstrated. The result is that for many years, ever since the time of the South Sea Bubble, the famous fiasco to which the Attorney General referred, people who live by their wits have found it expedient to

engage in trading and selling securities.

I am well aware that that description does not apply to everybody engaged in that business, but nevertheless it is the fact, particularly in the province of Ontario, that from time to time people who have no ability and no intention of making an honest living have resorted to the trading in securities and have been able from time to time to swindle or disappoint so many members of the public that an uproar has arisen and the government has been called upon to take measures, and sweeping measures, for the protection of the general public.

I do not set myself up as an authority on this subject by any means. The Attorney General said that he did not, and I certainly do not, although I amnot entirely innocent of some experience of what has taken place in years gone by, because like other members of the House I have been well acquainted with some victims of fraudulent or questionable or undesirable practices in the securities business and I have acted in a professional capacity for people, both those engaged in the business as well as for some of their customers. I have acted for them, I might add, in a legal capacity. I am therefore not entirely innocent of knowledge of the subject, though I do not for a moment pretend that I have any special knowledge of this field.

It seems to me, Mr. Speaker, that we are now seeing the swing back of the pendulum from that period in which public demand compelled the Government and the Legislature to take extraordinary steps against certain aspects of the securities business. I think that I can best summarize the views put forward by the Attorney General by referring to his speech on the first reading of this bill. At that time

he outlined the intent of the bill much more briefly than he did on the second reading and he said this, which I take it represents his position and the position of the Government:

> "I think I might indicate, for the information of the House, what might be regarded as the most fundamental aspect of the bill. It brings out, if I may say so, what might be termed our system of government -- that is, responsible government Our Securities Commission, in my view, has represented a confusion of thought between the law officers of the Crown enforcing offences regarding the Securities Act Regulations and the Code of American concept of a non-responsible agency. Consequently, there has always been a doubt in this province as to who was responsible for the broad policy under our Securities legislation, and who bore responsibility for the administrative policies.
>
> "Was it a thing in Ontario called the Securities Commission or was it the Government responsible to this Legislature who, in turn, are responsible to the people of the province? Examination of the Act will indicate that the Government and the Legislature took the responsibility, under this Act, by determining, with some precision, the policy. Subject to the overall concept, this Act, if I might say so, represents a return to this concept that there is no agency established by the Government that provides a mind so brilliant that that mind can determine whether a security is a sound security to be purchased by a member of the public, or not. So, it will be found in this Act that there is an abandonment of the theory that the Commission, somehow or other, recommends the Securities for sale, and consents to their sale on the applied basis that somehow or other they have the Government's approval. What this Act contemplates --"

and I think this is very important:

> "-- is that the applications will be honest, and the companies and promoters engaged in the business will tell the truth about the securities they sell to those members of the public they approach to induce to buy. That is contemplated by the proposal under this Act, that there will be proper filings made with the

> Securities Commission. The Securities Commission will have certain duties with relation to whether or not these filings are accepted for filings, and the people selling these securities will be required to furnish to the members of the public who are asked to subscribe to these securities a primary distribution to the public the old time-honoured thing called a "prospectus."

It seems to me that puts the point very clearly. The Government is doing two things. It is returning to the idea that the Government should be responsible for what is done and not some independent agency; and secondly it is returning to the concept that it will have to be assumed until it is proved otherwise that the business is being transacted honestly and regularly.

In keeping with that principle the bill very clearly seeks to remove from the Securities Commission the power to initiate investigations unless there is a sworn complaint or unless the Attorney General requires them to do so; and to remove from the Commission the power to exercise a certain intangible but nevertheless sometimes effective compulsion over people engaged in the securities business.

I have a great deal of sympathy with people who resent and oppose the bureaucratic administration of any Act such as the present Securities Act. I have a great deal of sympathy with people who resent and oppose the vesting of arbitrary power in a civil servant or an independent body which is neither a court nor a government. Nevertheless, I ask the House to remember that the reason for setting up the present Securities Commission and for the growth of that administration was that the Commission could exert a certain pressure on people in the securities business who, some of them, had been guilty of an abuse of that business at the expense of the general public.

I know, of course, that many people complain because they do not win when they speculate on a one hundred to one shot. There are many complaints of that kind. Nevertheless, every member of this House knows that a great deal of money throughout this province has been fraudulently taken away from the citizens of Ontario by high pressure salesmen and others dealing in securities which had no great value and were certainly not what they were represented to be.

I suggest that the ordinary processes of the courts are not always adequate for the purpose of enforcing the law. If they were there would be no need of police officers; there would be no need of detectives, if all that was needed to be done was to prosecute the offender after an offence had been committed. It would be locking the stable door after the horse was stolen.

There are certain types of people who actively engage in certain types of crime, and the Attorney General well knows that his police force and the municipal police force keep a close eye on the activities of these people. There have been a great many security salesmen and some brokers who have engaged in another type of crime, and I suggest, Mr. Speaker, that it is just wishful thinking to imagine that you are going to protect the public from people of that kind by a statute under which, after an offence is committed, they can be prosecuted and a suitable penalty be imposed. Everybody knows,as a matter of fact, that many of the people in this business are birds of passage and it is much more difficult to catch some of them than it would be to catch a different type of man who engages in banking or something of that kind.

I think most members of the House know that some people are engaged in this business of selling securities who

candidly admit that for them the business is a racket. They speak of it freely and consistently as a racket, not a business. Many of them are not citizens of this province. They are here for only a short time, just as long as they can get away with it, and unless they can be successfuly extradited from any one of a hundred jurisdictions they may never be brought to justice and appear in the courts. Everybody knows that there was considerable complaint about this problem some years ago, and for a time the Prime Minister of this province was its Securities Commissioner.

During the height of mining activity in the province in the late 1930's there was again a good deal of complaint and a good deal of activity on the part of the Commission in restraining the more aggressive buccaneers engaged in the business. As everybody also knows, that type of trading interferes with the trading carried on by the honest and legitimate members of the financial community who are engaged in trading in securities.

The first point I have to make, therefore, is that we simply cannot afford to lose sight of the importance of protecting the public. While I agree with many of the things that the Attorney General said, nevertheless I have the uneasy feeling that a few months or years from now this province is quite likely to be overrun by a type of securities salesman that you will never catch up with in any court, and thousands of people who heretofore have not been customers of any broker or stock salesman will be approached, and successfully approached, by unscrupulous salesmen, and induced to hand over their Victory Bonds saved during the war in return for some mythical Lake Shore or something of that kind which can be peddled very easily amongst simple hardworking people by a man who can talk

ten times as fast as they can and can think much faster. I do not think that people of that kind can be controlled merely by a belated investigation or by a belated prosecution. I think that a police force of some kind is required to restrain those activities, just as a police force of some kind is required to restrain the more exuberant activities of criminals engaged in other lines.

There is a second point to which I want to refer before I conclude. There is one aspect of the whole problem to which I did not hear the Attorney General refer, and that was the problem of ensuring that a reasonable portion of the capital subscribed from the public through the sale of securities actually reaches the property on which it is proposed to be expended.

MR. BLACKWELL: I do not want to interrupt my hon. friend but I did refer to that.

MR. JOLLIFFE: I stand corrected. It may be that the Attorney General did refer to that. I think possibly he did, in connection with the powers of the Commission to review or reopen registration.

MR. BLACKWELL: If the Leader of the Opposition wishes me to do so now, I will direct his mind to what is contained in the Act itself. But first let me say that in my discussion of the principles of the bill I did make reference to the provision of the Act which requires the filing of a clear and concise statement. That is found in section 49(1)(a), which requires:

> "(a) a clear and concise statement dated and signed by every person who is a director, promoter, underwriter or optionee at the time of the filing, containing a full, true and plain disclosure of all material facts including details of all options and such other information as may be prescribed by the regulations, has been filed

> with the Commission and a written receipt therefor received from the registrar; and
>
> "(b) such broker, or in the case of a salesman, the broker by whom he is employed, has notified the Commission in writing of his intention to engage in such primary distribution to the public."

And subsection (2) of section 49 provides that where the Commission is satisfied upon evidence presented that any director is not available to sign the statement required by subsection (1), the requirement for his signature may be dispensed with.

Subsection (3) of the same section provides that a company that has been carrying on business for more than one year, a balance sheet and profit and loss statement. Subsection (4) provides that in the case of a mining company a full report on the property must be made by a qualified mining engineer, geologist or prospector, and the qualifications are set forth. That report must set forth the source of knowledge, the date of examination, and so on.

Provision is also made in the same section for the receiving of an amended statement.

The next section provides that the Commission shall accept for filing any statement or amended statement unless it appears to the Commission that the profit and loss statement is misleading or fails to comply with any of the requirements of section 49, or contains any statement or promise or forecast which is misleading, false or deceptive, or which has the effect of concealing material facts; also where an unconscionable consideration has been paid or given for the acquisition of the property or for promotional purposes; or where the proceeds from the sale of securities are

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to accomplish the objects indicated in the statement. The Commission has discretion to determine all these things. It seems to me that there is a great deal of protection for the public in that material having to be filed before there can be any primary distribution of the securities.

I really do not want to take up the time of the Leader of the Opposition, and if there are other questions that he desires to ask I shall be glad to clear them up later.

MR. JOLLIFFE: I think I have followed the Attorney General. However, it does not seem to me that the measure itself contains any effective guarantee that a due proportion of the funds raised will be expended on the property for which they are intended, and that applies particularly to mining properties. I realize that the difficulty is much more serious in the case of mining properties for obvious reasons. The importance of my point is simply this. From year to year the people of the province of Ontario have set aside in one way or another their savings and it is of extreme importance to the welfare of the whole province as well as of the nation that those savings should be wisely invested. At the present time they are mostly going into Victory Bonds, as we are all aware, but the time will soon come when we shall be faced with an entirely different situation in which a much larger proportion of the savings of the public will be invested in industrial or mining properties.

It seems to me very important to the future of Ontario whether ninety-five per cent or ninety per cent or sixty per cent or forty per cent of the savings of our people shall be invested in sound Victory Bonds or whether an undue proportion of these funds shall find their way into speculative securities, sold through telephone calls

by large battalions of salesmen. If the savings of our people are to be invested in undue proportion in that way, then this province issimply not going to have adequate financing for the work that needs to be done, whether it is done by private enterprise or in some other way.

I make that suggestion now because I have not seen its importance recognized in the bill except for some entirely orthodox requirements as to the disclosure of information. There is value in having information if it is available to people who have the time and intelligence to obtain it and look into it, but it will mean nothing to large numbers of people who in my judgment will be induced to invest their savings in projects of various kinds, not because of their intrinsic value, but because of the talking ability of certain salesmen. I would like to see that need more seriously considered by the Government.

I do not desire to take up further time of the House now in discussing further the principles of the bill except to say that I realize that the administration of the Act will in the end probably turn out to be more important than the provisions of the Act itself. I suggest that that was probably the case with the Securities Act of 1930 and probably also the case with the original statute, the Securities Fraud and Prevention Act. It will probably be the case with this Act also.

It will be the duty of this House to consider at the appropriate time every section of this measure, which I think is one of the most involved and one of the most important to come before us at this session. I realize that the Attorney General has spent time in drawing up five or six or seven drafts of the measure and probably by now feels that he has heard all that he wants to hear about it, and I

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would not blame him for that.

MR. BLACKWELL: Oh, no. I hope I gave the House no such impression.

MR. JOLLIFFE: No. He said that it would be complementary to another measure, but I do not think we can leave it at that. I think this measure deserves more consideration than it is possible for us to give it in the ordinary way in this House, containing as it does many highly technical sections and many others which require close examination. I therefore want to urge that this bill be referred to the Committee on Legal Bills, and I may say that I am not the only one who feels that that ought to be done because I see in this morning's press that there was a meeting of the Prospectors and Developers Association yesterday at which a resolution was passed urging that this bill be referred to the Committee on Legal Bills for further consideration and that the Association be afforded the opportunity of making representations to that Committee. That seemed to me to be an entirely reasonable suggestion.

(Page 860 follows)

I, therefore, wish to move, seconded by Mr.Grummett, that the bill now before the House be referred to the Committee on Legal Bills. I do not want to cut out discussion on it, however.

MR. JOSEPH B. SALSBERG (St.Andrew): Mr. Speaker, if discussion is not cut off --

MR. SPEAKER: As I understand it Mr. Blackwell moves second reading of Bill No. 41 and if I interpret correctly what the hon. member for York South (Mr.Jolliffe) has said, his motion is that it be referred to the Committee on Legal Bills

MR. JOLLIFFE: That is my intention. I did not intend to cut off discussion at this time, but I wished to take this opportunity being the only the opportunity I shall have on second reading, to move that at the proper time, it be referred to the Committee on Legal Bills.

MR. SALSBERG: The only reason I jumped was because I feared if discussion was to be cut off I would not have an opportunity, which I wanted, to ask a question of the Government. I will do that anyway, but I might have kept it for a bit later.

The question I wish to direct in connection with this bill is one affecting the whole principle of the bill, and also involves the past record of the Government in enforcing legislation to protect the investing public. The Financial Post, in a recent issue, dealt with this problem of protecting the public from unscrupulous agents and people who seem to thrive upon the exploitation of innocent people in the province. They go so far as to state -- and when I quote from the Financial Post, I think I am quoting a very conservative paper; it is not the Tribune, which anyone can question; very few hon. members will question

the Financial Post authority on matters of this sort, or question their knowledge of what goes on in the market. So I am quoting the market's own bible, and they say:

> "There are some people, including persons of influence, who argue that there should be no interference with the stock racketeers; that it is not the function of government to regulate any business; that whatever racketeers' operations may be, the country eventually benefits through the development of new mines."

Now then, it is a sad comment upon certain aspects of private enterprise if the country, in order to develop its new mines, should require the sacrifices that so many people make, and which are very detrimental to many families, and upon which the mining racketeers thrive. I might say, Mr. Speaker, from some knowledge, that natural resources can be developed without such racketeering tactics, and I could cite at least the experiences of one country, where great new natural resources have been developed, where the prospector actually benefited from his successful prospecting, and where he was not, as is very often the case here, side-tracked and poverty-stricken by financial manipulators who made the profits out of his original work.

However, things being as they are, it is the first task of government to protect the public from racketeers, and the Financial Post, in the same front page editorial later on says the following, which demands an answer from this Government. It says as follows:

> "Nothing could be more damaging to the system of individual enterprise than tolerance of the activities of a relatively small but tremendously active financial underworld now operating from Toronto, which is made possible by the Ontario Government's failure to aggressively enforce present security regulations."

That is a serious charge, coming from a publication of this sort.

I am, Mr. Speaker, whole-heartedly in favour of any regulations and the strengthening of the Securities Act, which will offer the maximum protection to honest persons who until now have been victimized, but what is the use of passing Acts if the Government fails to enforce them?

Now, this charge comes from the Financial Post. Undoubtedly the former Act had weaknesses, otherwise there would be no new Act proposed, but the Financial Post does not complain of the legislation; it complains of the Government's failure to enforce existing legislation, which, and again I quote --

> ". . . of a relatively small but active financial underworld to exploit the innocent people, and in many cases to rob them of their life's savings."

That is very important, and it affects the principle of the bill. Was it just the insufficiency of legislation, the weaknesses of the old legislation, that made it possible for racketeers to exploit people, or was it the failure of government? What guarantee have we -- what guarantee has the public -- that even with the new Securities Act, the Government will enforce it and will offer the people the maximum of protection which they desire and deserve?

I want to say, on the general question of the bill, that I congratulate the hon. Attorney General (Mr.Blackwell) on the speech that he made. I tried to follow his speech as best I could. I am a layman; I have never bought nor sold securities; I never gambled on the market. I know nothing about it. I do know, however, as a public person -- and I believe all the hon. members in this House are in the same position -- that we hear frequently the complaints

and sad stories of people who have been robbed by unscrupulous agents or salesmen, of their life's savings. I, therefore, tried to follow the speech of the hon. Attorney General, and I want to say that parts of his speech make sense, even to a layman like myself; so much so, that I thought -- and still do think -- that parts of his speech dealing with very technical problems could very properly be printed in some pamphlet for the average person to have an idea of the magnitude and the intricacies of the bill. I say that very sincerely. I mean that.

But I say that he cannot -- nor can this House -- go too far in the enactment of legislation to provide an instrument for the protection of the people. I agree with the hon. Attorney General that if an individual desires, conscientiously, to get into the market, "have a fling at it" so to speak, to gamble and speculate, that is his right, and if he loses his investment, that ends it. But what we are concerned with, is the innocent person who is misled, who is given false information, who is given promises about gold in connection with what is in reality nothing more than a hole in the ground.

MR. BLACKWELL: A moose pasture.

MR. SALSBERG: Yes. It is these people who require protection. I do not know whether this Act will provide it sufficiently. I expected the hon. Leader of the Opposition (Mr. Jolliffe) to be really more definite about that. Frankly, I relied upon him, who is not only in the responsible position of being the Leader of the Opposition -- and that is some responsibility -- but who is also a lawyer, and who, as he himself admits, has had cases on both sides of the fence. Well, I suppose that is the job of a lawyer -- to act both for and against -- I had hoped that he would say this Act

was adequate, or if it was not, where it could be strengthened.

Mr Speaker, I and a group of us are vitally interested; we are anxious to support the Government and the House in enacting legislation which will provide the maximum protection to the honest people of the province, who are desirous of making safe investments but who have been misled, but, above everything, there is one thing we want to know -- and I think we are entitled to know it, and I think we are expressing the wish of a great many people in this province -- and that is why the Government, in the words of the Financial Post, "failed to enforce existing legislation," and why it permitted stock racketeers to operate upon an unsuspecting public.

I would like to have that answered, so that we may be able to form some opinion as to whether we can rely upon the Government to enforce any new legislation, or to merely declare to the public that nothing can be expected. The Government cannot enforce new legislation any more than the old legislation. The Financial Post says that; it is not the Communists that are picking on the Government; we are merely quoting the Financial Post, and we want an answer as to why the Government failed to enforce legislation before we can have any confidence that it will enforce the new legislation which it proposes now, and which we are prepared to support, subject to the analysis and examination and expressions of opinion expressed by those who are skilled in the law and know all of its ramifications.

MR. M. F. HEPBURN (Elgin): Mr. Speaker, it is not my intention to take much of the time of the House discussing a bill which has already been much discussed by great legal minds.

The hon. Attorney General (Mr. Blackwell) has spoken on this bill some three hours, and I appreciate the fact that he gave to us a lengthy explanation; we have also heard at some length from the hon. Leader of the Opposition (Mr. Jolliffe) who moved a verbal amendment, and before proceeding, Mr. Speaker I should like to know your ruling with regard to the amendment moved in a verbal way by the hon. Leader of the Opposition.

MR. JOLLIFFE: I have it here in writing, so there will be no difficulty about that.

MR. SPEAKER: I understood we should vote on the second reading of Bill No. 41 as moved by Mr. Blackwell, and then accept the motion of the hon. Leader of the Opposition as a separate motion.

MR. HEPBURN (Elgin): Well, Mr. Speaker, in order to clarify the situation, will you read the motion before the House, and the amendment just now presented by the hon. Leader of the Opposition?

MR. SPEAKER: May I say to the hon. member for York South (Mr. Jolliffe) -- and I think I am correct -- that the hon. Attorney General has moved the second reading of Bill 41. Then I have a motion, moved by Mr. Jolliffe, seconded by Mr. Grummett, that the bill now before the House be referred to the Committee on Legal Bills.

MR. HEPBURN (Elgin): Mr. Speaker, the question I want settled in my mind is, will we vote on the second reading of the bill --

MR. SPEAKER: If you will let me answer; I am trying to tell you. I will put the motion, first, for second reading of the bill. Then, if that is carried, I will introduce the motion by the hon. Leader of the Opposition that the bill be referred to the Committee on Legal Bills, as a separate motion,

and not an amendment.

MR. JOLLIFFE: I was quite willing to be guided by what was said at the time, I think, by Your Honour, and I realized after I moved the amendment in the form I did that it might possibly have the effect of shutting off discussion, and that was not my desire. It may be that the hon. member for Elgin (Mr. Hepburn), who has had many years experience in this House, would know much better than I what the proper procedure is. I want to facilitate discussion, but, at the same time, I want to give effect to the suggestion that it should go to the Committee on Legal Bills.

MR. HEPBURN (Elgin): I quite understand that. Mr. Speaker, as I said, we listened with great interest to the lengthy explanation of this Bill No. 41 by the hon. Attorney General and to further discussion by two other hon. members of this House.

This bill is before us as the result of a committee known as the Urquhart Committee on Mining, being named by the present Administration. The Committee was a creature of this Government.

The Committee heard representations from all interested parties, and very rightly so, because their very livelihood was being affected. The hon. Attorney General quite frankly and openly said he had disregarded many of the recommendations of the Committee, and had added -- I presume, without further consultation with the Committee -- further restrictive regulations.

MR. BLACKWELL: Mr. Speaker, if I may correct the hon. member for Elgin.

MR. HEPBURN (Elgin): Yes, go ahead.

MR. BLACKWELL: I did not, on my frank admission, admit that we failed to follow the Commission in many respects. The

respects in which we failed to follow it were decidedly limited, and that extent is as I presented it to the hon. members of the House. That appears on the record.

The other matters we introduced, also on the record, are of a very limited nature, and I do not think the hon. member for Elgin should exaggerate or minimize.

MR. HEPBURN (Elgin): It is a matter of opinion. These are rather drastic; that is our opinion, and that is shared by many others in this House. I think it is a violation of faith to change the regulations without giving the interested parties an opportunity to be heard. They have no opportunity elsewhere. They cannot appear before this House and make representations; it can only be done outside of this chamber.

MR. BLACKWELL: Mr. Speaker, I feel bound again to correct the expression of the hon. member for Elgin on a "breach of faith." I indicated to the House in what I said on second reading that all the organizations did make representations to my office, and may I say in that respect -- so the House can judge whether it is a breach of faith or not -- that it has not been indicated to me until today, as a result of a wire,which,no doubt,the hon. member for Elgin has, that there was any desire to have any further representations made. Everybody who has had any desire whatsoever to make representations, or objected to this bill, has had that opportunity.

MR. A. HOLLAND ACRES (Carleton): Mr. Speaker, from my many years experience in this Legislature, I know that we have a Legal Committee, and so if there is any hon. member -- I don't care what party --

-- who suggest that the Bill should go to the Committee on Legal Bills, I think it should go there directly, and save all of this see-sawing across the floor of the House. I think that is what the Committee on Legal Bills is for.

MR. HEPBURN: I thank you. My good friend, the Hon. Attorney General, has said he only heard one objection but it came from a very important group of people, the Prospectors and Distributors Association, were unanimous on that.

MR. BLACKWELL: This is only on the question of good or bad faith. If the Hon. member for Elgin (Mr. Hepburn) advocates that it goes to the Committee, that is permissible, but if he charges me with bad faith --

MR. HEPBURN: Maybe I over-reached myself in saying, "bad faith". But it is bad practice, after representations have been made before a committee, who, after they have made their representations, have a right to believe there is some finality to it, and then to find that the Hon. Attorney General has arbitrarily changed the regulations -- I submit, it is at least bad practice. These people have been cut off. They can only meet with us in the lobbies, and I don't like that kind of thing.

I have a telegram here from the Prospectors' and Distributors' Association, which appeared in the Globe and Mail -- and I presume the Hon. Attorney General reads that very valuable paper -- and Mr. Norman, one of the outstanding financial writers of this country, made the same suggestion, and I will deal with the situation, but I want to be sure that this matter is placed properly before Parliament. In view of the fact, that we can make rules or break them, I am going to move an amendment. I have enough here to enable me to speak at some length, but I want to get this to a vote before six o'clock. I am prepared to

support the motion of my Hon. friend, the leader of the opposition (Mr. Jolliffe), but I will vote against a second reading of the Bill unless this motion is carried and I cannot help but believe that my Hon. friend, the leader of the opposition, and the C.C.F. will agree with me, and we might as well get them coming and going, and so I move this amendment:

> "That the second reading of Bill No. 41 be amended by adding the words 'and the Bill shall referred to the Committee on Legal Bills'"

MR. BLACKWELL: Mr. Speaker, if I might take some weight off the mind of the Hon. member for Elgin (Mr. Hepburn) I am very happy to have this Bill go before the Legal Committee. Why not settle the matter instead of talking so much about it.

MR. HEPBURN: You took three hours and did not tell us that either.

MR. BLACKWELL: I did not have much of an opportunity.

MR. HEPBURN: Not in three hours?

MR. ROBERT LAURIER (Ottawa East): You are slipping.

MR. GEORGE H. MITCHELL (York North): I want to make a very brief observation, and direct a question to the Hon. Attorney General. During one part of the Hon. Attorney General's observations to-day, he said that no matter how small the fund contributed, even to the extent of only being sufficient to drill one diamond drill hole -- the thought occurred to me, looking back on those years when the Northern mines, and some of the mining publications, were doing a thriving business, that it was mainly on representation made on "tip-offs" in this publication regarding the immediate future of some hole in the ground, and so on.

I want to ask the Hon. Attorney General when money

is applied for for the purpose of drilling a hole, how are these people who are putting up the money for that purpose to know whether or not a bona fide test has been made and what the actual findings are? That is something that so many people who have invested money in those years are definitely concerned about, as they are at the mercy as in the power of the integrity and honesty of the people conducting these operations. What steps have been taken to protect the public against improper findings or return?

MR. BLACKWELL: I thought you were making a speech. I did not get the question. If the Hon. member for North York (Mr. Mitchell) would take the question simply, I will try and answer it.

MR. MITCHELL: Mr. Speaker, the question is definitely this; what protection have the investors as to the correctness of the returns of these mining operations, insofar as the findings are concerned?

MR. BLACKWELL: Mr. Speaker, that is a simple question arising from the drilling of one small hole. In order to answer that I will have to repeat my speech on second reading. May I suggest to the Hon. member for York North (Mr. Mitchell) that he come to the Legal Bills Committee and participate in examination of the Bill, and try to satisfy himself as to whether the Bill shall be reported, and whether it deals with the matter he had in mind or not.

MR. WILLIAM A. GRUMMETT (Cochrane South): Mr. Speaker, I do not want to take up much of the time of the Legislature and unduly prolong this debate, but coming from a constituency in which most of the mining is done, I think I may be permitted to say a few words.

When I say "mining" I mean mining for the metals and mining for the public, which is done on Bay Street.

I was pleased to hear the Hon. Attorney General say that in connection with this problem there were many headaches and I am sure I can agree with him, because it has been quite a headache to go through this Bill, and one has to look into the transactions on the stock exchange to get the full implication of what the Bill means. I believe that I could suggest a remedy for all these headaches and all these difficulties. Why not socialize the whole mining industry?

I first comment on some of the aspects of the Bill with which I am heartily in accord. First the appointment of a three man commission I think is a very good feature, and I congratulate the Hon. Attorney General on making that step.

Secondly, the provision for the extension of the bond for two years after the transaction for which it was granted have ceased to exist is another very good feature.

Then, there is also the feature giving wider powers to the commission, and that means a considerable amount, and I congratulate the Hon. Attorney General for having put that in the Bill.

Then, again the audit section. The scope of the audit section has been very materially increased, and the Hon. Attorney General ought to be commended for giving the audit section a wider scope.

Now, I come to one or two features which I do not like. When I started to read the Act one evening, I came to Section 58 and I read down as follows: "No person shall" -- and so forth -- "telephone the residence of a person", and so on. And I said to myself, "Well, at last here is one

Act we are putting into; they are delivering a punch directly to the unscrupulous promoters and stock salesmen. But then I turned over the page and I must admit, Mr. Speaker, that having read sub-section 2 of Section 58, I considered that the teeth were all pulled out of this Act, and left it practically as toothless as a new born baby. I cannot see why the exception should have been put into Section 58. There is no harm in prohibiting stock salesmen from calling the residence of a person. It is all right to call an office, because a man may be in his office or place of business, but why bother people at their places of residence? The prohibition in the first part of the Section, I believe, is correct, but then to go to work and take the teeth out of it by the exception contained in sub-section 2 and "A" and "B" is something I do not understand.

Now, there is another portion of the Act I do not like. The Urquhart Commission, in Section 12 of their report, part II, made recommendation that provision be made in the Act to prevent people obtaining possession of lists of shareholders of a corporation and so forth.

MR. BLACKWELL: May I indicate to the Hon. member for Cochrane South (Mr. Grummett) that properly comes under the Companies Act, and I may tell him that a Bill will be introduced to look after that.

MR. GRUMMETT: I am very pleased to hear that, Mr. Attorney General, because I think it is very necessary. Now, the only thing I have to mention, Mr. Speaker, is in regard to the regulations. In the old Act, a tremendous of regulations piled up. In fact, this Act has eight sections where the old Act had forty. A great bulk of the old Act consisted of regulations. I hope it will not be necessary to build up regulations behind this Act. If there is any

amendment, let us bring it in in the shape of an amendment, where it can be incorporated in the Act, and let us take the correct measure, and do not let us have regulations taking the place of provisions of the Act.

MR. OVERALL (Niagara Falls): Mr. Speaker, I would like to make some observations on this Act. The Hon. Attorney General has said he is satisfied that the public will be adequately protected against mining operations and he further states that he believes that full details should be given the public of any mine or development in particular. We understand, of course, that if more details were given to the public, there would be less swindling of the public. They have an Act in Britain that takes care of that principle in the Bill and about their registration, and no doubt they are intended to be complied with.

(Page 874 follows)

The Attorney-General said that information in respect to mining properties would have to be given in detail to the public. That is where I disagree. Let me read just a line or two of Section 49 (4);

> "Where the securities to be traded consist of shares of a mining company a full and up-to-date report on the property of the company and the development thereof made by a person who in the opinion of the Commission is a qualified mining engineer, geologist or prospector certified by such person stating ."

and so on. The significant phrase to which I wish to direct the attention of the House is this: "a person who in the opinion of the Commission is a qualified mining engineer, geologist or prospector." I think that can be improved upon. If we are to have several pages of registered brokers or salesmen, I think we might very well provide in this subsection something about the registration of mining engineers, geologists and prospectors. Not that I mean to suggest that all of them are not reliable, but more details should be made available to the public as to their qualifications to operate in the mining field, and then when a layman saw a report signed by a registered mining engineer, geologist or prospector, he would place more reliance upon the report, and there would be less likelihood of a registered official putting his name to information unless he was fairly sure that that information was correct.

We had a great deal to say a little while ago about the wonderful things we have been able to accomplish in this country through the progress that has been made in scientific developement , and I think that instead of leaving it all to the "Securities Commission appointed by the Government, we should have mining engineers, geologists, and so on registered, and then we would have accredited and

reliable officials certifying to the accuracy of the information given. That would prevent many people from becoming victims, as they have been in the past, of unscrupulous salesmen of mining securities. We should make sure that more details are made available to the public, and should try to see that more of the funds raised go into the actual development of the actual mining properties for which they are subscribed. It is common knowledge that to-day a good deal of the money that is subscribed for mining shares does not find its way into the development of the property itself We should see that more of the money subscribed is made available for developing our minds and building up the north.

MR. SALSBERG; Before the second reading is carried may I ask the Attorney-General if he is going to answer the charges to which I referred in THE FINANCIAL POST? If the government does not want to answer —

MR. SPEAKER: Do not impute that.

MR. SALSBERG: I say, unless the Government answers the charges made by the Financial Post.

MR. BLACKWELL: The hon. member rises to ask a question, then proceeds to make a speech. It is very difficult for me to construe from all he said, which I presume was his contribution on the second reading, what it was he wanted to know. If he will let me know that I will try to answer.

MR. SALSBERG: I quoted from an editorial in the Financial Post, and I thought I had made myself clear. I will quote it again. The Financial Post said;

"Nothing could be more damaging to the system of individual enterprise than tolerance of the activities of the relatively small but tremendously active financial underworld now operating from Toronto which is made possible by the Ontario government's failure aggressively to enforce present security regulations."

That is a serious charge, and coming from such a journal, I would like to have an answer from the Government.

MR. NIXON: Guilty or not guilty.

MR. BLACKWELL: I appreciate the hon. member's comment because it just occured to me that I might be brought before the bar of this Legislature. I might say in reply to the hon. member for St. Andrew (Mr. Salsberg), that he did not indicate to which issues of the Financial Post he referred. The Financial Post has carried on a campaign through many issues on this question. I do not know whether it is the desire of the House that I should comment exhaustively at this time with relation to all the innuendoes, opinions, and charges of the Financial Post on this question, but I would suggest that it be not to-night, at five minutes to six o'clock. If I am to be put on trial, I shall be quite happy to answer.

MR. JOLLIFFE: I might say for the enlightenment of the hon. member for St. Andrew that there is a proper time for putting of questions to the Ministry, and the second reading of a Bill is not the right time. I have not objected up to now.

MR. MacLEOD: Members over there have been asking questions.

MR. SALSBERG: We only have one from this side.

MR. SPEAKER: I understand that the government have indicated their willingness to have this bill go to the Legal Bills Committee after the second reading. The Attorney-

General has moved the second reading, and I have accepted notice of a subsidiary motion from the Opposition leader for the bill tomgo to the Legal Bills Committee. We will now vote on the second reading.

MR. HEPBURN (Elgin): I moved an amendment to the motion for the second reading.

MR. SPEAKER: The hon member moved an amendment but I had already accepted a subsidiary motion, and I shall have to rule his out.

MR. BLACKWELL: Do I understand that the hon. member for Elgin is not satisfied with the assurance that I gave him that the bill will go to the Legal Bills Committee?

MR. HEPBURN (Elgin): I am quite content with the assurance of the Attorney-General that the bill will go to the Legal Bills Committee, and I am prepared to withdraw my amendment.

Amendment withdrawn.

Motion agreed to and bill read the second time.

MR. JOLLIFFE: Mr. Speaker, I move that the bill be referred to the Committee on Legal Bills.

Motion agreed to.

MR. JOLLIFFE: I am so overcome at the motion being carried unanimously that I hardly know what to say, but in view of what happened a little while ago, I think we ought to have the member for Elgin (Mr. Hepburn) nominated to the Legal Bills Committee. He has spoken in a derogatory way more than once about my being a lawyer. It is true I am, but as everybody can see he is a much better lawyer than I am, and I think he should be on that committee. He also objected to the fact that I have a few degrees. I am sure that the House must have realised in the last few months

that the hon. member for Elgin (Mr. Hepburn) has been a much more apt pupil than I.

MR. DREW: In moving the adjournment of the House, Mr. Speaker, I might say that the business to-morrow will be resuming the adjourned debate on the Speech from the Throne.

Motion agreed to and the House adjourned at 6 p.m.

THE LEGISLATIVE ASSEMBLY

SIXTEENTH DAY

Toronto, Ontario,
Thursday, March 8, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

MR. MITCHELL F. HEPBURN (Elgin): Mr. Speaker, I move, seconded by Mr. Nixon (Brant), that leave be given to introduce a bill intituled "An Act to amend the Optometry Act", and that same be now read the first time.

Motion agreed to and bill read the first time.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, may we have an explanation, please?

MR. HEPBURN (Elgin): Oh -- Well, Mr. Speaker, I do not know whether any explanation is necessary in respect to this bill.

SEVERAL HON. MEMBERS: Sure, it is.

MR. HEPBURN (Elgin): I might say it annuls completely the political commitment made by the hon. Prime Minister in a letter sent to the optometrists five days before the election in

1943 and given effect to by legislation last year. It restores the bill to its original form, and stops the exploitation of the public by optometrists in connection with the sale of eye-glasses.

HON. GEORGE A. DREW (Prime Minister): Of course it is impossible to expect the hon. member for Elgin (Mr. Hepburn) to approach anywhere near the truth. The fact remains that not one single regulation has been passed under the Act, and he well knows it.

MR. HEPBURN (Elgin): They have not the courage to pass the regulations, and I will see that that power is removed from their control. They have not the courage to do it.

MR. VIVIAN: We will see.

HON. GEORGE H. DUNBAR (Provincial Secretary): Courageous, eh?

MR. FRED W. WARREN (Hamilton-Wentworth): Mr. Speaker, I move, seconded by Mr. Riggs, that leave be given to introduce an Act intituled "An Act to enable municipalities to establish Community Planning and Housing Authorities", and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. HAROLD R. SCOTT (Peterborough): Mr. Speaker, I move, seconded by Mr. Martin (Haldimand-Norfolk), that leave be given to introduce an Act intituled "An Act to amend the Professional Engineers' Act", and the same be now read the first time.

Motion agreed to and bill read the first time.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): Mr. Speaker, may we have an explanation from the mover?

MR. SCOTT: Mr. Speaker, the purpose of this bill is to give effect to some matters of administration and control within the Association of Professional Engineers. These are matters

1943 and river effect to [illegible]
the bill to its [illegible]
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glasses.

MR. GEORGE A. DEAN ([illegible]
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single regulation [illegible]
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MR. [illegible] (Eng[illegible]
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their control [illegible]

[illegible]

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Act entitled "An [illegible]
[illegible]
read a first [illegible]

Motion [illegible]

[illegible]
seconded by Mr. Martin, [illegible]
to introduce an Act entitled "An [illegible]
Highway [illegible], and the [illegible]

[illegible] agreed to [illegible]

[illegible]
Speaker, [illegible]

MR. COLES: [illegible] Opposition [illegible]
give effect to a matter of [illegible]
in the Legislature [illegible]

the need for which has become apparent during the last several years' experience in administering the Act.

The bill also prevents the use of titles which give the impression that unqualified persons are professional engineers.

MR. FRED W. WARREN (Hamilton-Wentworth): Mr. Speaker, I beg to move, seconded by Mr. Riggs (Windsor-Walkerville), that leave be given to introduce a bill intituled "An Act to provide for the relief of persons who have suffered substantial impairment by illness or unemployment, or any other cause beyond their control, with respect to their homes."

MR. SPEAKER: Shall the motion stand for two days?

MR. WARREN: I am just following the unwritten rules of the House. We have been breaking them every day. Other hon. members are breaking them in introducing bills --

MR. SPEAKER: No, hardly that. Will you permit this to stand as a notice of motion?

MR. WARREN: Very well, Mr. Speaker.

The motion stands.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I beg to move, seconded by Mr. Frost, that leave be given to introduce a Bill intituled "An Act to amend the Public Trustees' Act", and the same be now read a first time.

Motion agreed to and bill read the first time.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): Will the hon. Attorney General (Mr. Blackwell) give us a word of explanation?

MR. BLACKWELL: Mr. Speaker, I would be delighted to give a word of explanation. In 1942, when the hon. member for Elgin (Mr. Hepburn) was Prime Minister of this province and a great deal more of an isolationist than he is to-day, he amended the Public

Trustees' Act to provide that public trustees could only buy the bonds of the province of Ontario, or bonds guaranteed by the province of Ontario. This Government feels that steps should be taken backward along the road, to national unity, and the bill is to repeal that restriction.

HON. LESLIE M. FROST (Minister of Mines): Mr. Speaker, I beg to move, seconded by Mr. Blackwell, that leave be given to introduce an Act intituled "An Act to amend the Mining Act", and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. CALVIN H. TAYLOR (Temiskaming): Mr. Speaker, would the hon. Minister (Mr. Frost) mind explaining this bill?

MR. FROST: This bill contains a number of amendments to various sections. Some of the amendments were recommended by the Ontario Royal Commission on Mining; some of them have been suggested by the Association of the Prospectors and Developers, and some of them have been recommended by our own Department.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I beg to move, seconded by Mr. Frost, that leave be given to introduce a bill intituled "An Act to amend the Evidence Act", and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. SPEAKER: The hon. Minister of Public Works (Mr. Doucett) has asked leave to speak before the Orders of the Day.

HON. GEORGE H. DOUCETT (Minister of Public Works): Mr. Speaker, before the Orders of the Day, I would like to make a statement upon what occurred here last evening at 6:51 o'clock, when a fire broke out in the east end of this

Thirteenth Act to [illegible]
the bonds of the province of [illegible]
the province of [illegible]
should [illegible]
and the [illegible]

THE [illegible]

speaker. [illegible]
be given [illegible]
Mining [illegible]

[illegible]

[illegible]
would [illegible]
bill?

Mr. [illegible]
to [illegible]
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[illegible]

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Day

[illegible]

Mr. Speaker [illegible]
make a [illegible]
8:51 o'clock, [illegible]

building on the third floor. I am very happy to report that due to the attention to duty and presence of mind of the civil servants, with the cooperation of the very swift response of the Toronto Fire Brigade, the fire was brought under control and quickly extinguished.

I am glad to say that no essential documents were destroyed, due to the efficiency of the staff which occupies these offices. We still have the budget.

The damage done is estimated at about four thousand dollars, which is fully covered by insurance, and I have to assure this honourable body that there is no suspicion as to there being any sparks emanating from what took place here yesterday.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): Mr. Speaker, before the Orders of the Day are called, I find it necessary to rise to move the adjournment of the House to discuss a matter of very great urgency and public importance. It is a matter upon which the House and general public already have some knowledge, although perhaps not as much knowledge as is necessary.

In yesterday's "Globe and Mail" there appeared a report which reads, in part, as follows:

> "The resignation of the Seven-man Ontario Labour Relations' Board was reported to have been narrowly averted, for the present, last night after members of the Board conferred with Labour Minister Charles Daley.
>
> "The source of the trouble was that the Ontario Board was resentful, because it felt its work was being restricted and impeded by the National Labour Relations' Board. The Federal Board recently ruled adversely on two of its decisions, and it is understood the Ontario Board is insisting on the clarification of how it is expected to administer the Act in this province.
>
> "The Board was reported ready to resign yesterday morning. After a brief conference with Mr. Daley, however, a further discussion with the

building on the third floor. [illegible] to report that due to the attention to duty and presence of mind of [illegible] civil servants, with the cooperation of the [illegible] response of the Toronto Fire Brigade, we [illegible] under control and quickly extinguished.

I am glad to say that no essential documents were destroyed, due to the efficiency of the staff [illegible] these offices. We still have the [illegible].

The damage done is estimated at [illegible] dollars, which is fully covered by [illegible] assure this [illegible] there being any [illegible] yesterday.

Mr. [illegible] (Leader of the Opposition): Mr. Speaker, before the [illegible] it necessary to [illegible] this [illegible] cuss a matter of very great urgency and [illegible] is a matter upon which [illegible] have some knowledge, [illegible] is necessary.

In yesterday's [illegible] and [illegible] which reads, in part, as follows:

> "The resignation of the [illegible] Labour Relations Board [illegible] unfortunately averted, for the present, [illegible] other members of the Board [illegible] Minister Charles Daley.
>
> "The source of the [illegible] Ontario Board was essential [illegible] work was [illegible] Well [illegible] recently [illegible] and it is understood [illegible] clarification [illegible] to administer the [illegible].
>
> "The board was [illegible] yesterday morning. [illegible] Mr. Daley. However, a [illegible] the

Labour Minister was arranged for last night.

"The Board understood that it should administer the Act in a broad sense, Mr. Daley explained. 'It feels that restrictions are being placed on this interpretation, and that the restrictions especially affect Labour.' Mr. Daley said he had no information, however, that the Board intended to resign.

"The Board had done a praiseworthy job of handling Labour Relations in Ontario since its formation, Mr. Daley said. He expressed the hope that the situation could be cleared up and an understanding reached which would permit the Board to continue in function.

"The Chairman of the Ontario Board is Jacob Finkelman. The other members are Russell Harvey, E. J. Hopcrand, H. J. Padgett, W. J. Corbett, C. E. Shumaker and R. W. Teagle."

Now, Mr. Speaker, I have not discussed this matter at any time with any member of the Ontario Relations' Board, but facts have come to my attention which I think should be in the possession of this House. They indicate, I think, a very serious crisis in industrial relationship in this province, and particularly in the administration of Order in Council 1003. I will explain why in a moment.

I think it should be made perfectly clear that this difference between the Ontario Board and the National Board arises out of a decision rendered on the last day of February by the National Board in a case involving, on appeal from the Ontario Board, the International Union of Mining, Mills and Smelter Workers, and two employee organizations, the Wright Hargreaves Mine and the Sulphanite Mine.

In that decision of February 28th the National Board reached what I can only describe as a nonsensical and utterly disastrous decision. If industrial relations in this province are to be maintained on a satisfactory basis, and if the process of certification is to continue throughout the industry, then the decision of the National Board on the last day

of February will have to be rectified.

I want to make perfectly clear what happened, so that there will be no misunderstanding, and I wish to take this opportunity of saying again that I think no fault is to be found with the Ontario Board nor the members, and in bringing the matter before the House I do so with the hope that we shall be able to get from all groups in this House a positive and very strong affirmation of our support of the position which has been taken by the Ontario Board and of our dissatisfaction with the absurd way in which 1003 is being interpreted and administered by the National Board, and I think, in order to avoid all the difficulties which are bound to arise under this decision, we must make our position known to Ottawa without delay.

The decision is this: last year the mine, mill and smelter workers petitioned the Labour Board with respect to the two mines I have mentioned. As a result, the Board directed a vote to be held in each mine. In each mine there were a number of employees eligible to vote, - three hundred and ninety-six in one case, and two hundred and ninety-two in the other, - and constituted a voters' list exactly as in our own provincial, general election, where there are voters' lists of those eligible to vote.

In the result, a substantial number voted for the International Union and a considerable number voted for the Employees' Association, but neither of the two obtained a clear majority of those eligible to vote. In both cases the International Union was ahead of its rival, and had a majority over its rival. Under a previous decision of the National Board it was impossible for the Ontario Board to grant certification to the winner of the vote, due to the National Board's decision in the Hudson's Bay Mining

of February will have to be rectified

I want to make perfectly clear [illegible] happened, [illegible] there will be no misunderstanding, and [illegible] take [illegible] opportunity of saying again that [illegible] found with the Ontario Board [illegible] the matter before the House I do [illegible] that we shall be able to get from all [illegible] in this House a [illegible] and very strong affirmation of [illegible] which has been taken by the [illegible] faction with the absurd way [illegible] and [illegible] stored by the Ratio[illegible] to avoid all the difficulties [illegible] this decision, we must make [illegible] out delay.

The decision is this: [illegible] one or workers petitioned [illegible] two mines, have manifested [illegible] vote to hold in each mine. [illegible] of employees eligible to vote, - [illegible] in the case, and two hundred and [illegible] constituted a voters' list [illegible] general election, where there [illegible] eligible to vote.

In the result, a substantial number voted for the [illegible] National Union and a considerable [illegible] voted for the [illegible] Association, but neither of the two [illegible] those eligible to vote. In fact [illegible] was ahead of its rival. [illegible] a previous decision of the Board [illegible] the Ontario Board to grant certi[illegible] the to the National Board [illegible]

case and others.

They thought it best to have a new vote, a "run-off" vote. They put it in that way, and I think it is very reasonable. And I think if all the hon. members of this House will follow this reasoning they will agree it is entirely fair. They said:

> "On the other hand, if we were to dismiss both petitions to this case, we would be ignoring the highly significant fact that between eighty-five and eighty-eight per cent. of the employees in this enterprise expressed a desire to bargain collectively with the employer. When confronted with a choice between two trade unions, some voters expressed a preference for one, and some for the other. Are we entitled to assume that each voter is so committed to the trade union for which he voted that he would rather forego the privilege of collective bargaining than bargain through the other? That may perhaps be the case, but, in our opinion, it would be highly improper for us to make such a deduction without further evidence. Such further evidence can only be obtained by offering to the employees a further opportunity to express their views."

And the Ontario Board, therefore, directed a "run-off" vote at each mine, so that the employees could select the union of their choice.

The company appealed to the National Board, and the National Board directed that there could not be a "run-off" vote, - "The whole thing is off; there is no election, no choice." They got nothing as the result of many months of perfectly legitimate activities through the regular channels.

Before I conclude, I think it is necessary to call the attention of the House to the fantastic reasoning set forth in the decision, as it affects the situation for taking future votes.

This decision is affecting the employees of the Union; it affects the entire future administration of Order 1003, in view of the fact that the National Board has stated point by point what the procedure shall be to be followed by the

Ontario Board. They say:

> "We believe that future difficulties may be obviated if we set down shortly the procedure which it is proposed should be followed in dealing with applications by unions, subject, of course, to any necessary modifications from time to time.

And this is the procedure they lay down, Mr. Speaker, which I submit will simply have the effect of shelving the future applications for certification, unless a substantial majority of the employees can be shown to have already joined the Union.

> "(1) Upon the receipt of the application an investigation Officer of the Board will examine the membership records of the applicant union and of any other union interested in the application. He will check the membership records with the Company's payroll, comparing the signatures in the union records with the signatures in the employer's records, if necessary, and report to the Board.
>
> "(2) Unless the Board is prima facie satisfied that a majority of the employees affected are members of the applicant union, the Board will reject the application.
>
> "(3) If the Board finds that a substantial majority of the employees affected are regular members of the applicant union - that is, if they have joined in the regular way, and have paid dues - the Board may certify bargaining representatives without directing any vote.
>
> "(4) If the Board finds that the majority of the employees affected who belong to the applicant union is not substantial or that an important section of the alleged majority consists of employees who are not regular members, but who have signed requests for the applicant union to elect or appoint bargaining representatives on their behalf, the Board will in most cases, on the application of the employer, direct a vote.

And I ask you to note the significant omission. In these circumstances the Board will, on the application of the employers,- who may or may not apply, -direct a vote.

> "(5) The Board will not include in the ballot the name of any intervening or competing union unless the Board is also prima facie satisfied that a majority of the employees affected are members of the competing or intervening union. This will rarely happen, and it can only happen if some of the employees affected belong to or sign authorizations for

more than one union so that they may be deemed to be members of two or more unions.

"(6) If the applicant union fails to secure a majority vote of the employees affected, this will leave it open for another organization to apply and seek a new vote on its application.

"(7) When this procedure has been followed and an application is rejected, a new application by the same union should not be entertained until a period of at least six months has elapsed."

Those are the points which the National Board is now laying down and which make it almost impossible for the Ontario Board, admirable though the personnel of that Board may be, to make a success of administering an order in this province.

There are two principles at stake: one is the nonsensical and absurd rule that there must be a majority, a rule which will not apply in any other election I have ever heard of.

SEVERAL HON. MEMBERS: Oh, yes.

MR. JOLLIFFE: Mr. Speaker, I hold in my hand the lists of the last general election, and there is not a single hon. member of this House who had a majority of all the electors affected by the last provincial election.

MR. DREW: I think you are mistaken.

MR. JOLLIFFE: I think perhaps the hon. PrimeMinister may misunderstand me. I know there are a number who had a majority of all the votes cast, but there is not an hon. member of this House who had a majority of all the names on the voters' lists.

The National Board have laid down the principle that you cannot get a certificate unless you can get a majority of all on the voters' lists. The thing is as absurd in one case as in the other. Why, Mr. Speaker, if you made that a ruling in this House, there would be no Legislature; there would be no democratic vote of this kind here, at all.

When you make that a rule of collective bargaining you

may be assured that many people will be denied the right of collective bargaining, to which recognition has been given by all the groups in this House.

The significance is that the Board may not run a "run-off" vote. This will create other difficulties in this province, unless we make it perfectly clear now to the proper authority at Ottawa that it must be corrected.

And I may say that in my view the great majority of the industrial disturbances in this country since the war began can be laid at the door of the Dominion Government and of that thoroughly incompetent and totally absurd Minister of Labour, the hon. Humphrey Mitchell.

I think in this, the largest industrial province of the country, it is high time we made it clear that the hon. members of the House, with the experiences they have had, do not share the views expressed in the National Board's decision nor the views of the hon. Minister of Labour (Mr. Mitchell) with respect to industrial relations in Canada at the present time.

Now, Mr. Speaker, I ask for the forgiveness of the House if I have exceeded the ten-minute limit, and I am seriously appealing for a strong expression of opinion from the spokesman of the various groups in this House, to the end that the interpretations, - reasonable and wise interpretations, - given the Order by the Ontario Labour Relations' Board, may have the support and endorsation of this House.

HON. CHARLES DALEY (Minister of Labour): Mr. Speaker, in discussing this question I am afraid that I, too, would have to ask the indulgence of this House to possibly exceed by some small amount the ten minutes which would be allotted to me.

I quite agree with the hon. Leader of the Opposition (Mr. Jolliffe) that this is a very important question. I think

(Mr. Jolliffe) that this is a very important question. I think, to bring my points more clearly to the House, I should read this short statement leading up to just how this Board came to be established. It said:

"The Collective Bargaining Act was superseded by the Wartime Labour Regulations and by the Ontario Labour Relations' Board Act. The Federal Government delegated to the Ontario Labour Relations' Board, established under the last-mentioned Act, the administration of the Wartime Labour Relations' Regulations, with respect to what might be termed 'war industries' within the province, and made the Federal Regulations applicable to those industries which remained within the jurisdiction of the province, thus ensuring uniformity in policy in connection with collective bargaining for all industries within the province of Ontario.

"To promote the uniformity of collective-bargaining legislation throughout the Dominion of Canada, the Government of the province has agreed with the Dominion that all decisions of the Ontario Labour Relations' Board shall be subject to appeal to the Wartime Labour Relations' Board (National). Over four hundred cases have been filed with the Board since its inception on April 17th, 1944, and a vast majority of them have been finally disposed of.

"With the experiences that the Board has gained, it is to be expected that the Board will increase in efficiency in the coming year. Accomplishments of the Board can best be illustrated by a review of the fact that the number of man-days lost by reason of industrial disputes during the past year is substantially less than during the previous year. It is noteworthy that the number of cases in which the employers and employees have been in disagreement has been infinitesimal."

Now, Mr. Speaker, with that illustration of what the agreement was, and how the Board was set up, I must say that after a year's experience in operating this Board I am, to a great extent, absolutely in agreement with all the hon. Leader of the Opposition (Mr. Jolliffe) has said.

(Page No. 892 follows.)

I would like to say this at the outset. I do not think there is a group of men representing labour and management in this Province or in any other Province that has had greater experience, that are more conscientious, that have greater knowledge of labour and management relationships than the Labour Relations Board of the Province of Ontario.

I also agree with the Hon. leader of the opposition that there is little of complaint or criticism that can be handed to this Board. I think under the existing circumstances they have done a magnificant job.

I would like to go to the extent of explaining just how the personnel of this Board was selected. It was my responsibility, as Minister of Labour, to set up this Board. With respect to Labour, I consulted with the heads of the conferences and the railway unions; I got panels of names from them, and I selected; and I am very happy to say I selected three very fine representatives of labour with a broad understanding of their job and the willingness to concede and try to reach an understanding with respect to labour; and I think they have done an excellent job. I approached, on the other hand, represenatives of management and secured panels of names from them; and I also can say that the names that I selected from these panels have been fine men fully conscious of their responsibilities to the management of labour, and also have done a fine job.

I will go this far, to say this, that I do not believe that there is a group of men who knew more about management of labour and labour relations, or who have had more to do with it; and I am not willing to concede

I would like to say, first of the [illegible], I do not think there is a group of men, [illegible] and management in the Province of [illegible] believe that [illegible] had greater experience, that are [illegible] more, that have greater knowledge of labour and [illegible] relationships than the [illegible] of the Province of Ontario.

I am [illegible] with the [illegible] of the [illegible] tion that [illegible] can be [illegible] to [illegible] circumstances as they have [illegible] of

I would like to [illegible] just [illegible] my responsibility, [illegible] Board. [illegible] respect to [illegible] the [illegible] panels of [illegible] from [illegible] happy to say I believe [illegible] labour with [illegible] willingness [illegible] with respect to labour, [illegible] excellent job. I appreciate [illegible] emanates of management and [illegible] them, and I also can say [illegible] from [illegible] their top [illegible] to the [illegible] also have done a fine job.

I will [illegible] relations that there is [illegible] management of [illegible] had more to do with [illegible]

that there is a Board in Ottawa that can set aside the decisions of this Board, with proper judgment. These men in Ontario are close to the people, they meet them every day and discuss the various problems.

When this Board was first set up, this House will recall that there was much criticism of P. C. 1003. Naturally that had to work. There were statements made right in this House that it would never work. I felt at that time that these regulations possibly could be made to work, if there was a sense of fairness and a willingness on the part of the Board who were responsible for interpreting those regulations flexibly. I spoke to the Chairman when I asked him if he would accept the Chairmanship of this Board, and he pointed out, as we had found out from discussions with Labour members at this House, and to discuss at Ottawa, that some of these clauses may be difficult to make operate. And I asked this Chairman, who pointed these things out to me again, " What would your attitude be when acting as Chairman of this Board, would you adopt an attitude, because there were some clauses there in which you and some labour leaders do not entirely agree, would you adopt an attitude that this Act would not work, because you believed it would not work along these lines? Will you do your best to make it work?" and he said he would. And he went to the Board and told the Board what I had said, that the best effort should be made that could be made to make it work and bring about satisfactory labour relationships.

For that reason, and knowing that the Board has been taking that attitude time and again, I have always felt some concern because some labour leaders have been, --

while the Hon. leader of the opposition says there has been no criticism, -- making some criticism of the Board.

MR. EDWARD B. JOLLIFFE (York South): But not by me.

MR. DALEY: Not by you. But all the time I knew that this Board was leaning in favour of Labour, where it was possible, because there have been many cases which have come before the Board where, if they had not been striving to make this Act work, they would have thrown cases out; and they have given a hearing.

The Board has been reproached with trying to make P.C. 1003 work. The statement that the Board was going to resign was greatly exaggerated. The Board had no such intention and I definitely told that to the newspapers. The Board had no intention to resign. It is true that they are dissatisfied that judgments they have given have been set aside at Ottawa. If you are close to the situation, you know that,

The case which the leader of the opposition has cited, where some eighty per cent of the people working in a plant have expressed the desire to have some collective bargaining, and to say, "No," because they have not had an actual majority, is ridiculous, -- I submit it is ridiculous. And, therefore, this Ontario Labour Relations Board have every reason to be and they are annoyed, but they had no thought of resigning, -- they are not that kind of people. They have had many very difficult decisions to make throughout the years. They called me up, and they discussed this proposition with me, and I reiterate again that there was no thought of resigning, but just dissatisfaction, "what can we do?" And here is

the suggestion I made to this Board: You have for a long time now been operating this Act. You and I both knew, when we tried to operate it, that there might be amendments possibly desirable; but only experience in operating it would disclose those weaknesses. Now, if you as a Board will give your time and thought to what should be done to amend this Act so that it will work, -- and do not think it has not worked in plenty of cases, because there have been many cases, and I will outline them to you in a few minutes, cases which have been satisfactory, -- and if you will submit to me what is the unanimous opinion of this Board, I will go to Ottawa and I will press to have these amendments made.

Now, I do not think anything more can be done in this House, but that is already in the making; and that is two or three days ago, and the Board is to-day, each individual member, concentrating upon what in his opinion, should be amended; and, if put into concrete form, and if deemed reasonable by myself, I will go to Ottawa to press for some amendments.

I think we are moving sanely, and we have, contrary to some opinions in this House, expressed a desire to cooperate with the Dominion Government; and I cannot say that they have not been desirous of cooperating with us.

Because I have read some place in statistics that in the industries of this country some forty-eight per cent of the workers are centred in Ontario, I would say that this Board has had more experience than any other group of people in the country; and surely if they have something and sound and reasonable to offer Ottawa will certainly

be very unwise if they do not give them every consideration; and I think they will.

I think, while I am discussing this Board I might as well clear up two or three other questions which have been brought up in connection with the Board. In the first place, it is mentioned here that it should be a full-time Board. Let us just consider that for a moment. It is certainly impossible to get three high ranking business men to take on the position of a full-time job on a Labour Relations Board. They are giving two days a week, and often three, and I have personally sat with them on a Sunday in order to get this work done.

Now, you simply could not get the type of men, and you have to have them, to take a position on a Labour Relations Board.

Who are the representatives on the Board? They are high-ranking executives in the Labour Movement. Do you think these men are going to sacrifice everything before them in the Labour Movement, which offers them an opportunity to have a full time job in it, and allow themselves to be cornered down into the Labour Relations Board? It is simply not possible to have them on a full-time job.

I think it is not necessary to keep harping upon a full-time Labour Relations Board; it is getting ridiculous.

Since the inception of the Board, in 1944 to February the 28th, 1945, four hundred and twenty-nine petitions and applications were filed with the Board. Two hundred and eighty-seven out of them have been completed. Applications for conciliation services, one hundred and twenty-eight. Establishment of grievance

procedure, three. Leave to prosecute, nine. Miscellaneous, two. Hearings and continuations of hearings were held in three hundred and sixty-one cases. One hundred and fifty-three certificates were granted. Ninety-seven applications for conciliation services were referred to the Minister of Labour; and three applications for leave to prosecute were made, two of which were withdrawn and one dismissed. Thirty-three applications for leave to appeal to the National Board were heard. Sixty petitions for certificates were referred to a referee for inquiry and report.

I can say to you to-day that this week every case that is before that Board, that is ready for hearing, will be on the agenda. This Board is absolutely up to date on their work. So, what is the sense of talking about a full-time Board, when there is absolutely, up until the present time, no necessity for it, and absolutely no possibility of getting a personnel to man it?

As I say, this Board meets at least two days a week, three and four days in some weeks, and the National Board meets every other week or possibly a day or two.

I would also like to clear up another question that has been raised here, about the various applicants who are making applications to the Board be notified to come to the Board at ten o'clock in the morning, and sometimes they have to sit there several hours.

I have given a great deal of consideration to that, and have discussed it with the Board several times; and it is a very difficult thing to correct. Cases slated

to be heard by the Board for ten o'clock, and it is considered, according to the best of their opinion, that that case will take an hour, or maybe ten minutes. But, for various reasons, and I will say again sometimes due to the legal opinion they have there, that case takes two or three or four hours. They thought they could complete that case in an hour, or it may be they thought it would be just a brief hearing and it would be adjourned. How could they space their cases so that there would be no waiting?

Sometimes the very highest type of legal opinion will be coming in to represent the union or the management, and they expect that it will take some time. But, sometimes, in five minutes it is all over; and, if they had no one notified to be there, the Board would be kept there waiting. I do not think it is a serious case that people can complain about, if they come there and have to wait for some time. We have fixed up the quarters for them and now they have a quite comfortable place to wait in.

Now, as to unnecessary delay in giving judgment or in passing their rulings. There is a good deal of misunderstanding in connection with that. I have investigated many cases, and often there is a great deal under the surface that has to be investigated by the Board before they can give a competent ruling on a question. A case was brought to me where I was told there was only the union and the employer, who were both in agreement that the union should be certified; and that there was great criticism of the Board because it took several weeks to complete that case. But, actually, when you

got the facts, there were two unions in that particular case, and both of them were claiming that certain groups of individuals should be in one organization or the other; and the Board had to decide to which organization the groups should be attached; and that took considerable investigation.

I think we would get along better in our labour relations work if these criticisms were not made which are unfounded but were investigated fully before they were made.

(Page 900 follows)

MR. ARTHUR WILLIAMS (Ontario): In your remarks are you implying the statements that have been made by the hon. members of this House regarding the Labour Relations' Board have been unfounded?

MR. DALEY: No, I was not, because, in this particular case, from four of his colleagues I got the evidence, and handed it right to him, and showed him where he was absolutely wrong, and his face was quite red. He realized his criticism was entirely unfounded. But, that was not a member of this House. I know the hon. member for Ontario (Mr. Williams) has been quite bitter on occasions in his condemnation, you might say, of this particular Board.

MR. WILLIAMS: "Criticism" is a better word.

MR. DALEY: It really passed that point.

MR. A. A. CASSELMAN (Nipissing): You are going to get into an argument, first thing you know.

MR. DALEY: I am not adverse to that when I know I am on sound ground.

I do not think the hon. member for Ontario (Mr. Williams) would object to my telling this, but he wrote to me once, and it was quite bitter,-quite vicious remarks in this letter, and I read it very carefully, and I called my secretary, and I said, "In reply, after carefully reading your letter of such and such a date, my first impulse was to tell you to go to hell, but" I said, "on further thought," — the hon. member can correct me if I am wrong, ---

MR. WILLIAMS: You are perfectly right up to the present.

MR. DALEY: I will be very kind to you. I said, "on further thought, knowing you, as I do, to be a kindly, friendly sort of person, whose only idea in life is to do something for the working people of this province, I will reserve the pleasure

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I sometimes wish, now, in politics, that I had a little more ability to dislike people, but I find it very difficult to dislike people, even the hon. member for Ontario (Mr. Williams), although he does carry me over the coals. I will say this in his defence, he raises a question, and he will have much to say about it, no doubt, but in the opinion of the Board some of the cases that the hon. member for Ontario has brought before that Board have been most difficult, I will say that. They have been most difficult cases. Many cases come, and are quite easy to handle, but the hon. member for Ontario has been unfortunate, (or probably the people whom he represented were fortunate he had those cases,) in having very difficult cases before the Board. But, I must say, his attitude, at times, as has been evidenced in this House, is not conducive to friendly relations. I think you will agree with that. But, I think, Mr. Speaker, that that just about covers what I have to say in connection with this matter.

Now, while there never was a thought of resignation on the part of the Board, I do not say some individual may not have expressed the opinion he was going to quit. I would not say that, but never was there an indication of the Board's intention to resign, and the Board has now concentrated its efforts to designing ways and means of asking for amendments to this Act for improvements, if they can have an improvement, and I think all the people of this province, particularly the labouring people and the representatives of Labour, are both very grateful to the work that the Board has accomplished during the last year.

MR. JOSEPH B. SALSBERG (St. Andrew): Mr. Speaker, I agree that the matter brought before the House by the Leader

of the Opposition (Mr. Jolliffe) is one of great importance and of public urgency. I think that it is so important that perhaps the Speaker was fully justified in ignoring and winking at all the rules and allowing the hon. Minister to proceed.

MR. SPEAKER: That is just enough. I will give the widest possible latitude to every hon. member in this House, but the hon. Minister (Mr. Daley) asked for time, and when he exceeded his time I drew his attention to it. There is no winking at rules.

MR. SALSBERG: I do not see why you should be wrathful because I thought you were justified, and I do not think it is disrespectful on the part of any hon. member to agree with the Speaker. You know what I mean.

MR. SPEAKER: You have not said it.

MR. SALSBERG: The unfortunate thing is, the Speaker was evidently lulled by the long speech that preceeded mine, and did not hear what I said. I said I agree with the Speaker.

Mr. Speaker, I was impressed with the fact that the hon. Minister of Labour (Mr. Daley) was perhaps better prepared to deal with an unexpected emergency issue than he was for a long time in this House.

MR. DALEY: It was not unexpected by me.

MR. SALSBERG: So he was aware of the emergency, which speaks well for the hon. Minister of Labour, except, of course, that only a week ago yesterday I, considering my task and my duty, spoke of this same problem, and I warned the House of the mounting crisis of Labour relations in this province, and I was sniped at and criticized by the Prime Minister and by other hon. members of the Government for taking time, unnecessarily, of this House. The record will prove that, and it is regrettable that only a week elapsed to reveal the crisis to be even more

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serious than I saw it and than I pictured it before this House a week ago yesterday. It revealed a lack of appreciation of the seriousness on the part of the Government, as revealed in the Speech from the Throne and on the part of the hon. Minister (Mr. Daley) later on.

Mr. Speaker, I fully agree with the interpretation that the hon. Leader of the Opposition (Mr. Jolliffe) gave of this ruling of the decision of the National Labour Board. I agree with that, and I have implied this might be expected. In fact, you will recall, Mr. Speaker, that a week ago I stated the situation is becoming so critical the members of the Board were thinking of resigning, which was denied in the House. That was a week ago yesterday.

MR. DALEY: It still is.

MR. SALSBERG: Well, I did not give the statement to the hon. members yesterday. I think it came from the hon. Labour Minister's office, - not from me.

I do want to say this, that the crisis that has been brought to a head by the decision of the National Labour Relations' Board reveals exactly what I pointed out a week ago. We are confronted with organized opposition through collective bargaining in this province on the part of certain Tory reactionary employers.

MR. R. HOBBS TAYLOR (Huron): I would like the hon. member to my right (Mr. Salsberg) to name some of those Tory reactionaries that are blocking Labour. He made that accusation in this House a week ago, and I feel that he gets the greatest "kick" out of it by giving nonentities, and doing a disservice to Labour and to this country, as a whole. I would like him to name one Tory reactionary or reformed Liberal employer that is adverse to collective bargaining.

MR. SALSBERG: I will, in due time, present the House, on the request of the hon. member and the Toronto "Globe and Mail", a full list of such employers, but I must say, --

MR. DALEY: Just one.

MR. SALSBERG: I will give you more than one.

(Page No. 905 follows.)

I just want to say, the hon. member to my left has excluded the monopoly to reactionary Tory employers, but there are others who have them. The reason why these appeals have been made to the National Labour Relations Board continuously is because those employers are determined to obstruct collective bargaining and the carrying through of the spirit of 1003 and the intent of that Act, as far as possible for them to do, and they are dissatisfied with the decisions that the Ontario Board brings down. They appeal against one decision after another. They drag negotiations out as long as possible, they stall and frustrate, and by so doing, they provoke labour into actions that they do not care to participate in. I want to say that the preparation of 1003, I think, Mr. Speaker, also bears the imprint of a man who is now the national president of the party that is the governing party in this House. I think Mr. McTague had something to do with that. That should not be forgotten.

I want to point out this, that the National Labour Relations Board has done something for which we cannot possibly find justification or excuse and we must protest against it, we must demand that they review that decision again, that they re-examine it and that they reopen it and bring down an entirely different decision upholding the decision of the Ontario Board. But, it would be wrong if the hon. Minister of Labour (Mr. Daley) created the impression here that the National Labour Relations Board does not include labour representatives. It also has labour representatives in it and I, without any pleasure, I assure you, would like to know how the labour members in the National Labour Relations Board voted in this instance. I am not sure yet, I have not got the facts, but I do know one member of that Board

is head of the Canadian Congress of Labour. I do not know how Mr. Mosher voted. I do not think that hon. members of the Opposition would be prepared to condemn him alone, with perhaps the majority of the Board, without first ascertaining how he voted on this question, and I do not think they want to do that.

MR. JOLLIFFE: It is not a question of personalities at all.

MR. SALSBERG: If I recall the speech of the hon. Leader of the Opposition (Mr. Jolliffe), he spoke of the Board as a whole. I think that is right, and I do not differ with him on the decision they rendered, but I would point out I do not know how Mr. Mosher and Mr. Molyneaux voted on this question and I think the hon. Leader of the Opposition is as aware as I am that Mr. Mosher is one of the most prominent supporters of his party and trade unions to-day. Since he voted for that decision, regardless of his attitude towards the C.C.F., I would condemn that decision as the hon. Leader of the Opposition is doing. I would not hesitate to condemn that decision if Mr. Mosher and Mr. Molyneaux voted for it, but I do not know, and I want to find out how they voted. I am not condemning the Labour Relations Board as a whole without first finding out how the Labour members voted. I hope they were in the minority, and if they were not, they should receive the same treatment from us as the majority of the Board.

The important thing now is not so much to condemn one board or another, the important thing to conclude is that the crisis of labour relations in this province, and elsewhere, is mounting much to our regret.

What is necessary is to seek improvement amendments of P.C. 1003 and, if you please, of the order governing wages, 9384,

because the decision of the War Labour Board in the case of the Canada Starch Company constitutes a threat, industrially, and constitutes an attack upon the living standards of workers in this country than is totally unwarranted and uncalled for by emergency and war economy. We must seek to bring about an amendment of 1003 and 9384 so as to make it impossible for reactionary employers to bring about the provocations and threats that they are bringing about.

I think further Mr. Speaker, if it were at all possible -- and I know from previous experience you cannot move motions on a motion to adjourn -- but, if it were possible I would move that we in this Legislature call upon the National Labour Relations Board to reopen this case and uphold the correct decision of the Ontario Labour Board, and I believe that this discussion, and I agree it was necessary, will contribute towards the realization of the necessity for improved labour relations, federally and provincially, and as a result of the discussion we will achieve such improved legislation at an early date, nationally and provincially, to do away with the defects we are encountering.

I fully agree with the previous speaker; I only regret to say that by the time the Hon. Minister of Labour (Mr. Daley) finished I was not certain that he was certain of any emergency as he displayed in the first remarks of his speech. I, therefore, want to conclude with what the hon. Minister of Labour, I think, did not say, that there is an emergency and this House will be doing its duty by seeking to reopen the case and seeking to bring about improved legislation in this House at this session and an improvement in federal legislation.

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MR. CHARLES H. MILLARD (York West): Mr. Speaker and hon. members of the House, as most of you know, I have recently returned from attending a world labour conference. One of the things that was particularly noticeable at that conference was that in recent years at least it has been the stated policy of the British government to encourage collective bargaining, particularly in the Colonies, and we had at that labour conference evidence of a labour movement emerging from all the British Colonies. My purpose in mentioning that is to show that this judgment rendered by the National War Labour Board is going to militate against the natural evolutionary development of the labour movement in this country.

I do not believe that the previous speaker (Mr. Salsberg) was quite fair in more or less white-washing the government at Ottawa.

MR. SALSBERG: Mr. Speaker, on a point of order I submit that there was nothing in what I said that could be interpreted as an attempt to white-wash anybody. On the contrary I emphasized with almost undue repetition the necessity of maintaining the federal labour regulations, which is the responsibility of the federal government. I did not attempt in the slightest to white-wash any government.

MR. MILLARD: My reference was to the fact that the previous speaker drew particular attention to the board as such, even singling out for mention individuals on the board and wanted to know how they voted on this question.

MR. SALSBERG: On another point of order, Mr.Speaker, I did not want to know. I was merely stating --

MR. SPEAKER: Order.

MR. SALSBERG: May I state my point of order, Mr. Speaker?

MR. SPEAKER: I got your point.

MR. SALSBERG: If you will permit me, Mr. Speaker --

MR. SPEAKER: Go ahead.

MR. SALSBERG: In my remarks I merely suggested that it perhaps would be unjustifiable to attack the whole board without knowing how the labour members on it voted. I do not know how they voted, but I did not ask any hon. member of the House for information as to how the labour members of the board voted. I do not think they know.

MR. JOLLIFFE: I do not think I can let this pass a second time. I did not make any attack on the National War Labour Board. I made an attack upon its decision. If the hon. member for St. Andrew (Mr. Salsberg) is going to be so touchy about the remarks of the hon. member for York West (Mr. Millard), and he has risen to points of order twice already, may I say categorically that I did not attack in any way the members of the National War Labour Board, for whom personally I have great respect. But I did attack a nonsensical decision of the board and an order in council which obviously would need to be amended by the authorities at Ottawa.

MR. MILLARD: The point I wanted to arrive at was this. I wanted to draw attention to the kind of order in council this is, which is the governing order under which the National War Labour Board made its decision. I have no hesitancy in believing that the cause of the trouble lies in the fact that the board deemed it necessary under the order in council by which they are governed to make the decision they have made in this case. It is not a matter of how the board or any member of the board voted on this question.

That brings me to the point that last year we passed

legislation based on that order in council, and it was the contention of the members of the Government here that we ought to do our best to make it work. We have it from the Minister of Labour (Mr. Daley) here to-day that the Ontario board has conscientiously tried to make P.C. 1003 operate successfully, and I believe that they have too.

But the evidence brought before the House to-day by my colleague the Leader of the Opposition (Mr.Jolliffe) shows that P.C. 1003 is not operating, and therefore I submit it is the prerogative of this House to reconsider whether or not we are prepared to go on and ask the Board appointed by the Minister of Labour under the authority of this House to administer an Act that is not sound and that is bound to cause hardships and create industrial disturbances in this country.

Somebody has said -- I believe it was the Minister of Labour himself -- that there is no intention on the part of the Board to resign. That may be true regarding the Board. But I cannot comprehend that a man representing labour faithfully and honestly could remain a member of a board that under this ruling simply becomes a rubber stamp for a board at Ottawa that is making the orders under a faulty order in council.

I say in all seriousness and sincerity that I am rather surprised -- and I say this in a most friendly fashion -- that the Minister of Labour, having such a full knowledge of the situation as he has had did not himself bring this matter before the House. It is a very serious matter and one that is going to involve a lot of people, and unless we move, and move constructively, difficulties are bound to arise. I could not understand that labour

men of the calibre mentioned by the Minister of Labour would remain members of a board under the intolerable conditions and precedent established by this decision of the National Board. They have written into this decision with which none of us can agree the word "substantial" as a joker. Who is going to decide what is a substantial majority?

On the other hand, the Ontario board has made a reasonable interpretation of the order in council. They have stated that when a substantial majority of the workers in an enterprise decide that they want some form of collective bargaining they should have an opportunity of deciding in a run-off vote which one of one or more organizations they prefer for that purpose.

I suggest that we try to find some way of bringing our representations on this question to Ottawa, that we should not leave it to the Minister of Labour, though I am quite prepared to admit his discretion in the matter. But we should not leave to him the responsibility of going to Ottawa. I think that there should be representations made to Ottawa with the full backing of this House. I can tell the House now that the labour members of the National War Labour Board, regardless of how they voted on this particular question, are in favour of very necessary and fundamental amendments being made to the order in council because I have received that word since this debate started this afternoon. I think that we have to find some way of making our views known to Ottawa and demanding that the order in council be amended.

I want to say further that to my own personal knowledge the members of the National War Labour Board and the members of the government at Ottawa have full knowledge of

what labour's position is in regard to the necessary amendments, and there is nothing to stop them, now that this matter has come to a head, from revoking this decision and making the necessary amendments, so that the decision of the Ontario board will hold.

I should like to say one word in regard to the point raised by the Minister of Labour regarding the time element. I have been one of those, the Minister of Labour will recall, who on a number of occasions have been pressing for a full-time board or a board that will give more time and attention to these matters.

The decision which now brings the matter to a head was the result of a vote taken almost seven months ago, when 85 per cent in one case, and 88 per cent in the other case, of the employees voted that they wanted collective bargaining. In spite of that fact seven months have elapsed and no collective bargaining agreement has been made.

I remind the hon. members of the House that these are the same mine owners, the same employers who have had the protection first of all of Mr. Humphrey Mitchell and secondly of the hon. member for Elgin (Mr. Hepburn) and his government. They are the same employers who have tried in every way possible to block collective bargaining in these mines.

Now we have the decision by the National War Labour Board that labour, if it wants to have recognition by the democratic process of taking a vote, must have a substantial majority. If there is any question about it the board may consider, on the application of the employer, if you please, whether a vote will be taken in any situation.

I suggest to the hon. members of this House that this matter is of sufficient importance that we must find some way of having Ottawa move on this question, and move immediately; and without speaking in any partisan sense or making any political attack and with all due regard to the members of the group to my left I say that the Government at Ottawa is responsible -- the Government at Ottawa and not the parliament -- because it was the Government that passed the order in council. That order in council must be amended, and the responsibility for that must be taken by the Government at Ottawa and by nobody else. And so I suggest to the members of this House that we immediately move to find some way of bringing that about. I suggest that in all seriousness and sincerity. We must act on this matter at once because labour cannot afford and the country cannot afford to have any crisis develop that will stop production in this country at this critical time.

MR. BERTRAM E. LEAVENS (Woodbine): On one or two occasions we have heard the hon. member for St. Andrew (Mr. Salsberg) refer in this House to reactionary Tory employers, but all the reactionary employers, I might tell him, are not Tories.

May I also point out that P.C. 1003 was supported on the floor of this House in the last session by the hon. member for St. Andrew, and Mr. Humphrey Mitchell, the federal minister of labour, who appears to be a very close bedfellow of the hon. member for St. Andrew, is in no small measure responsible for what has happened in regard to the decision of the National War Labour Board.

MR. SALSBERG: On a point of order, Mr. Speaker,--

MR. LEAVENS: I am speaking now.

MR. SPEAKER: The hon. member (Mr. Leavens) must

take the rap the same as everybody else.

MR. SALSBERG: I am very particular about my bedfellows. The hon. member suggested that the federal minister of labour is my bedfellow. I want to state that that is entirely untrue. He was not even a member of my party but he was formerly a member of the Social Democratic party, of which the hon. member's party is a continuation.

MR. JOLLIFFE: Oh, no.

MR. LEAVENS: If that was a point of order, I can see no point in it.

MR. SPEAKER: Let us stick to policies and leave out personalities.

MR. LEAVENS: I would like to say that the Minister of Labour in the federal government is the man who said he would follow his skipper blindly and take his orders from him. It might be well for the hon. member for St.Andrew to remember that in 1917 when Mr. Mackenzie King was working for the Rookefeller Foundation and was asked how to handle organized labour at the time of a strike in the United States he said that the best way was to recognize them in principle but to make them impotent in practice. That is a statement which those on the Labour-Progressive benches should consider before too closely associating themselves with the Liberal party because that was a statement that was directly contrary to the best interests of labour.

MR. ROBERT H. CARLIN (Sudbury): Mr. Speaker, I would like to make a few observations on this subject because it comes so close to myself. Apart from my interest in the general labour movement I have a special interest in this organization inasmuch as I happen to be

a member of it. I quote from the Reasons for Judgment of the Wartime Labour Relations Board (National) in the case of International Union of Mine, Mill and Smelter Workers and Wright-Hargreaves Mines Limited (Kirkland Lake):

> "The two unions and bargaining representatives cannot be certified unless and until a majority of the employees affected decide to join one union or the other or until the two unions join together in electing bargaining representatives."

I am not unmindful of Kirkland Lake in 1941, when we first attempted to negotiate with the operators at Kirkland Lake. At that time, after making contact with the federal government at Ottawa, the Industrial Relations Investigating Committee, the chairman of which was then the Minister of Labour, Hon. Humphrey Mitchell, took a trip to Kirkland Lake and in the two or three days that Mr. Mitchell was there he attempted to sell us what is known to everybody in Canada as the Kirkland Lake formula or the Humphrey Mitchell formula to glorify company unions, and I see a likeness in this decision to the recommendations that were made by the federal Minister of Labour, the Hon. Humphrey Mitchell. I suggest that it is a very serious matter and if it were to be put into effect to-morrow it would destroy all our existing labour relations.

MR. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, from this discussion so far one important point has emerged that should be crystal clear to this House and that is that the Leader of the Opposition (Mr. Jolliffe) in introducing this question took exception, and properly so, to a decision of the National War Labour Board. That

was really the issue that was raised here by him. He expressed the view that he was hopeful that upon that rather simple issue being raised this House would be brought into unanimous agreement with his attitude towards that decision.

May I at this point make the observation that on the simple principle of that issue the unanimous agreement of this House is now apparent, with the exception of the hon. member for Elgin (Mr. Hepburn) and the group he leads in this Legislature.

As to the course that has been followed by the Minister of Labour (Mr. Daley) on that rather simple issue raised by the Leader of the Opposition may I say as a member of this government that it gave me a sense of pride to hear him say in such simple and direct language, which must have impressed this Legislature, that practical commonsense demanded that we should unanimously try to rectify this situation.

Information as to the decision of the National War Labour Board has been in the hands of our Minister of Labour for a few days. Our Minister of Labour, on receipt of the decision of the National Board, had two courses open to him. He might have immediately brought the matter to this Legislature, with all the political advantage that he might have attempted to derive for the Progressive Conservative party by making a political issue of this matter with the national government at Ottawa. However, with a sense of responsibility he accepted the situation that we have in this province an Act which makes P.C. 1003 effective in this province for all war industry and makes it so far effective as to so-called peacetime industry under our board which has been appointed and has been administering the order as a result of a written agreement with the

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Liberal government at Ottawa.

I think under those circumstances that a conscientious Minister of Labour in this province owes some obligation to the conduct of labour relations generally and to the amenities between governments which would lead him before raising this question as a political issue here to take the proper steps to reconcile the matter in a businesslike way in the interests both of labour and management, and that is the course he is following.

The situation, after all, is not difficult to understand. Neither the Ontario board needs to be brought into this question as a matter of guilt or innocence, nor do the members of that board individually, and the same remark is applicable to the Ottawa board. There is no necessity of bringing into question the good faith or bad faith of that board or of the representatives upon it of management or labour. All that, I submit, Mr. Speaker, would be harmful to the whole question of labour relations not only in the province of Ontario but throughout the whole of Canada.

As the hon. member for York West (Mr.Millard) has pointed out, the responsibility rests upon Ottawa. It is in the hands of the federal Minister of Labour. He is in a position, on proper recommendations being made to him, to make the necessary recommendation under the War Measures Act whereby the necessary amendments can be made to P.C. 1003 to cure that decision immediately, if he sees fit. I think under those circumstances that the minister of the crown who holds the portfolio of Labour in this province has the responsibility of making a civilized and decent approach to the Minister of Labour at Ottawa, and that the way to do business in this country is not to shower the man you are going to see with abuse before you go there.

I commend the Minister of Labour (Mr. Daley) upon the approach he has suggested.

Before sitting down I would like to ask the hon. member for Elgin (Mr. Hepburn) whether he has an attitude on this question, either as regards himself or his group.

MR. M. F. HEPBURN (Elgin): Mr. Speaker, I did not intend to participate in this debate, but I am quite frank to say that I agree with the remarks that have been made by the Attorney General (Mr. Blackwell). This issue arises partly as a result of the war and partly as a result of duplication of services. I concur in the Attorney General's suggestion that the Minister of Labour (Mr. Daley), who is a very efficient and capable executive, should make the necessary approach to Ottawa, and I believe then that this whole matter can be straightened out. So far as my own view is concerned and I believe the view of the group I lead, we share the opinions generally expressed in this House this afternoon.

MR. ARTHUR WILLIAMS (Ontario): Mr. Speaker, I am glad that the Attorney General did succeed in bringing the debate back to the real point at issue which was raised when the Leader of the Opposition (Mr. Jolliffe) asked for leave to move the adjournment of the House to discuss an urgent matter. We have gone quite a distance afield in discussing these things, and in doing so some things have been said which I think it is right, and I hope you will agree with me, Mr. Speaker, for me to correct.

It is a very serious thing that a crisis has been allowed to develop before action was taken. Wise and intelligent people would take action before the crisis develops. But it is true of human beings all through history that they are usually in a hurry to lock the stable

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door after the horse is stolen. We need not have been in this unfortunate situation to-day if notice had been taken and action followed with respect to the things of which this House was warned some months ago. However, there was a determination then to go on in a sweeping way and now we are faced not only with this particular situation but with the great likelihood of other similar situations arising later on.

The order in council was pretty carefully analyzed by more than one member of this House quite a while ago, and it was agreed that it was bad -- well, no, they did not like to say that it was completely bad, but there were weaknesses in it. But now they are willing to use a little stronger terms about P.C. 1003, and we find the same opinions expressed about it not only in this House, but outside.

A good bit has been said about the Labour Relations' Board of Ontario, and with much of what has been said about it I agree, but when I found the Minister of Labour (Mr. Daley) spending so much of his time piling up praise after praise on the Ontario Board I began to wonder whether he was referring to men or angels. These people, after all, are only human, and like all other human beings they make mistakes, as I think the hon. member for Elgin (Mr. Hepburn) would be the first to admit. We should keep clearly in our minds, lest the adulation that has been showered on the board by the Minister may blind us to some of these things, that the Board is doing what it ought not to be doing. We ought not to believe that this Board is so perfect that we can go along blithely, only to be pulled up suddenly with a shock when another crisis hits us in the face. This Board, let it be known, notwithstanding all the praise we care to

shower upon it, is making some awfully painful blunders, blunders of interpretation. In the particular case which the hon. leader of the Opposition brought to the attention of the House today the Ontario Board took the sensible course. As a matter of fact, the school children who have been sitting in the gallery today would not have hesitated to take the same course which the Board took because it was the simple, easy and understandable thing to do. I fail to understand for one minute why the National Board could not determine in simple and easy fashion, as any of these school children could do, whether the workers in these two mines should have a collective bargaining agency or not.

(Page 921 follows)

Now, I know there are members in this House who are very anxious - very anxious - to use some words, that we might use on this side of the House in this group, which might be interpreted as a slur on some of the labour representatives on the National War Labour Board, because I know that there are some members in this House who are anxious to do that, I want to declare quite emphatically that whatever I say about the National War Labour Board it is not with the slightest intention of casting any slur at all on any of these members representing labour on the National War Labour Board, but I am not going to allow that consideration to temper my reasoning about actions that they have taken which I conceive to be wrong. I think the National War Labour Board did a wrong thing in this particular case and if all the three members representing labour were on it they are equally guilty with anybody else for the wrong that has been done. Now, I am only approaching it from that angle. I am not approaching it from the angle that some perhaps might like to interpret my remarks as being a slam at Mosher. Not that at all. I can speak praisingly of Mr. Mosher, as I have spoken about Mr. Finkleman, but I am not going to let the regard I have for them blind myself to the fact that they do wrong and deserving of criticism when they do it. Now, in this particular interpretation here it seems to me a pitiable thing that an employer of labour - and employer of labour mark you - can get preferential treatment within the meaning of the regulations regarding a vote to be taken than can the worker.

We are here discussing collective bargaining; we are not discussion trade unionism. We have not yet

started along the road to discuss trade unionism; we are only at this stage discussing collective bargaining and we cannot get employers to even concede that simple point, and in addition, the regulations drafted by the Federal Government are an aid and comfort to employers who do not want to have anything to do with unions.

I made reference yesterday in another place to a particular situation concerning interpretations on conciliation. I do not know yet whether the members of this House really realize the obstacles that are put in the way of workers accomplishing even collective bargaining. It has been said before in the House -- whether it was said sufficiently well for members to take notice of it or to register on members' minds or not, I don't know - but at the risk of repeating it I want to say that there was a time when workers who are in difficulty with their employers could make an application direct to the Minister of Labour, or a conciliation board, and a conciliation board would be immediately conceded. But that was too simple a way. Obstacles started to arise and as my good friend from Sudbury mentioned, the first obstacle was the infamous Mitchell formula. Except for the liberals and conservative who are in this House all the other members of the House were in a unit at that time in condemnation of the Humphrey-Mitchell formula. I do not know what has come over some people's minds that they could have changed regarding that kind of thing, but that was the first obstacle and Mr. Mitchell went up to Kirkland Lake - he was not a member of the Federal Parliament; he was just a trouble shooter for the right Hon. Mr. King - and when the trouble was on

in Kirkland Lake Mr. Mitchell was sent up there and he had a nice ready-made solution to the whole of the problem, and it was a company union. When we refer to the Mitchell formula we are merely referring to the age old policy of the Prime Minister of Canada in his great liking for company unionism. Mr. Mitchell was carrying out that particular policy in Kirkland Lake and after we had adjusted ourselves to that particular obstruction and were able to meet it and overcome it, we find when 1003 comes into existence that there is an additional obstacle established and the additional obstacle is this; that you cannot then have a commissioner come in now to conciliate a dispute until you first of all ask the Labour Relations Board of Ontario for their intervention and, bless their little souls, their intervention consists of, if they agree with you, sending a letter to the Minister of Labour for Canada telling him that the intervention of the Board has been granted and after having sent the letter to the Minister the Minister then sends in a commissioner and after having the commissioner we then might get a conciliation board. All of these obstacles, some within the sphere of collective bargaining, and notwithstanding the fact that they have got these kind of things, the employers still won't deal with the union. I made a comment about that the last time I spoke on labour matters in the House last week. I still am of the same opinion. Now, the Labour Relations Board of Ontario act in a rather strange way sometimes - you notice I said 'sometimes'. You get a good employer - there are some, you know - you get a good employer and no difficulty about dealing with the union, quite ready to deal with it. He wants to be satisfied of course, that

you have a majority of the employees in the union. So we both agree - employer and I agree - and this is one of the difficult cases the Minister of Labour referred to earlier. If this is a difficult one, goodness help the ones that have some forms attached to them - the Minister of Labour within a couple of days agrees that a vote shall be taken in response to the joint representation of the employer and myself, and in goes a representative from the Department of Labour and takes a vote and ninety-two per cent of the people in the plant voted for our union and we sit down with the employer and we negotiate an agreement, but we ran against a snag in the negotiations of the agreement. Well now, under the Order-inCouncil 1003, sec.11 of the Order permits you when you are unable to complete a collective bargaining agreement to make application to the Board for its intervention, and here is a peculiar thing - and this is from the Ontario Labour Relations Board because we ran against the snag - we applied under sec.11 of the Order for the intervention of the Board,but the Board said - Oh, no, we cannot intervene. You have not been certified. You have not had previous contractual relationship so that we cannot do anything about it. So we start all over again. Then we go to the Board to be certified and then we go back to the Board and ask the Board for its intervention to aid in the completion of an agreement. Silly interpretation, is not it?

I took this matter up with the Minister of Labour - and I should say in this instance that it is not the hon. Minister of Labour for Ontario (Mr. Daley) I took it up with, but I took it up with the hon. Minister of Labour for Canada (Mr. Mitchell) - not with the intention of casting

any reflection on the hon. Minister of Labour for Ontario (Mr. Daley) but feeling that this great mind down at Ottawa ought at any rate to be able to solve a simple point like this - of course, I was under an illusion, and I wrote this letter to the Minister asking him - and this is the kernel of the whole thing;

> "Do the Regulations as contained in P.C. Order in Council 1003 apply to bargaining units that have not been certified as well as to such units as have been certified?"

and then I go on to explain the point. I get this letter back and it is a gem of cloudiness;

> "Your letter of August 25th requesting interpretations of provisions of P.C. 1003 has been referred to the undersigned by the Honourable Humphrey Mitchell to whom it was addressed.
>
> I have read your communication with interest and would state that it is not the practice of the National Board to give interpretations of the Regulations".

Now, that is an interesting thing in the light of this serious decision that they have made here to-day, is not it? That is not in the letter, I forgot.

> "...unless required to do so by reason of an appeal being made to the National Board against the decision of a Provincial Board.
>
> I have noted from your letter that it is not your intention to appeal the decision of the Ontario Labour Relations Board and for that reason I do not feel justified in venturing an opinion upon the points raised by you. As you will appreciate, there may be other factors involved which led the Ontario Board to make the decision that it reached. I might also add that it is this latter factor which has been an additional reason why the National Board refuses to give interpretations in hypothetical situations.
>
> I might say that it is my personal opinion from the facts given in the second last paragraph of page one of your letter that the Ontario Board is on reasonable ground in dismissing your appeal if you have been in no previous contractual relations with the Company. This, however, is my

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> own personal opinion and is ventured knowing that there may be factors involved in your particular situation which are unknown to me. If the organization entering on bargaining relationships for the first time is not certified there is nothing to prevent the employer from raising the representation issue later and thus complicating the organization's bargaining efforts.
>
> "When you are next in Ottawa I should be glad to discuss some of the points raised by you in your letter. I think that a comprehensive answer to some of them would entail quite a task if the subject were to be treated solely by correspondence."

That is the end of the letter. Now, if you can tell me what it tells me about this trouble and the decision arrived at by the regional board, you are a better man than I am, Gunga-Din, to quote Kipling, is it not? That is one of the difficult cases. I have only taken two cases to this board -- one from the Acton Wool Combing Limited, of Acton, and the other from the Toronto Hosiery, where we have had a vote taken and I think in about anhour and a half we will know that the union has won another victory in that particular plant. The vote finishes in a very short time. Now, there was no difficulty with this company. The company came to the board and said that it would not oppose our application for certification. It was as simple as that. Now, the other case, the Toronto Hosiery, I have the letter here from the company. I will just read this one paragraph. The date is November 4th, 1944, and it is signed by F. Fressgrave, York Knitting Mills, Limited. The Toronto Hosiery is a division of York Knitting Mills, and it says this:

> "We are prepared to deal with the Union in question, but before certification is granted we should like assurance that a majority of our employees are bona fide members of that union."

There was no difficulty in the case at all -- none whatever. Those were the only two cases I had before the Board, so I do not see for a single minute how the Hon. Minister (Mr. Daley) could represent that I have taken any difficult cases before the Labour Relations Board.

Now, this particular thing -- Oh yes, Mr. Speaker, I know I am trying to conclude --

MR. SPEAKER: I have given you double time.

MR. WILLIAMS: Really, I did not think I had been speaking very long. It shows how interested one can be in one's own subject, does it not?

As far as I am concerned in rising in this debate this afternoon, it is not for the purpose of trying to embarrass the Hon. Minister of Labour (Mr. Mitchell) at Ottawa: nor the Rt. Honourable Prime Minister of Canada (Mr. Mackenzie King), or any other hon. member of his government, or the Liberal party of Canada, nor any of my hon. friends here.

But, here, Mr. Speaker, is a grievous injustice to workers, and it should be the bounten duty of every member of this House to see that a grievous injustice is righted. As it is only for the purpose of righting a grievous injustice that I appeal to all our members of the House to force the idea put forward by the Hon. the leader of the opposition (Mr. Jolliffe), in order that strong representations should be made to the Department of Labour in Canada to assist in having reversed this unfair and unjust decision.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I simply want to say on behalf of the Government that the moment this was brought to the attention of the Hon. Minister of Labour (Mr. Daley) -- in fact, immediately

after the decision at Ottawa had been made -- he brought the decision to the attention of the government and expressed his very great concern about the result, and his dissatisfaction with a situation which would arise from it, and emphasized the need for immediate action to prevent the possibility of the ruling which had been made stifling the efforts that have been carried on to improve labour relations throughout the Province of Ontario.

He consulted the Board with the whole knowledge of the government, with the request that they should prepare their several representations as to amendments which would meet the situation arising out of this and other experiences which they have had, and just as soon as the Board presents those, it is the intention of the Hon. Minister of Labour (Mr. Daley) with the full support of the government, to urge upon the government at Ottawa the immediate amendment of P.C. 1003, to make it impossible to have a repetition of such a ruling to take place.

But I would point out that the Ontario Labour Relations Board had been interpreting P.C. 1003 in a way which would have avoided such an impasse as this, as it is only the judgment which has been given in the last few days which has caused this difficulty. So, it is not anything of some standing. If the judgment had been in accord with the decision of the Ontario Labour Relations Board, we would not have had this difficulty.

I assure you that the government will do everything it can to persuade the government at Ottawa to change that Order, and in case any Hon. member may say, "Well, you have not had very much success so far", I can only say that at least there has been a measure of co-operation

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between the Department of Labour and the Ontario Department of Labour, which has been lacking in some other cases, and it is my hope, and it is the hope of the other members of the government, that in that Department, we may be able to achieve the results we desire.

With regard to the remarks which have been made, I will say that the government will welcome the stand taken by those who have spoken in this Legislature, and have welcomed the support of those who believe there should be immediate action in the amendment of P. C. 1003.

MR. SPEAKER: Orders of the Day.

HON. GEORGE A. DREW (Prime Minister): Order No. 1.

CLERK OF THE HOUSE: Order No. 1. Resuming the adjourned debate on the amendment to the motion, for the consideration of the speech of the Honourable Lieutenant Governor at the opening of the Session.

MR. A. A. MacLEOD (Bellwoods): Mr. Speaker, when I picked up my paper this morning I became a little apprehensive about the possibilities that we might be able to go on this afternoon because when I read about the fire in the Treasury offices last night two things occurred to me; first, was this an attempt on the part of the government to repeat the Reichstag fire and blame it on the Drew Labour Progressive members or was it the government following the usual practice of regimes which are about to die, and whose last act is to burn incriminating documents?

Now, if the latter is the case, I hope at least that the Hon. Provincial Treasurer (Mr. Frost) can save into the budget which he is going to bring down to-morrow, and that the Hon. Minister of Labour (Mr. Daley) paved the finest labour laws in the world for the benefit of posterity.

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Now, Mr. Speaker, I had intended to make some reference to the two new Hon. members to the government family. I do not think anybody has done that as yet. The first child,-- the first ministerial child -- to be borne after we rose, was the new Hon. Minister of Planning and Development (Mr. Porter). I happened to be in Nova Scotia at the time of his appointment and I was pleased to send him a telegram of congratulation. I expressed high hopes for his achievements, and I am reserving judgment now until we hear what he has to say. However, the Hon. Minister (Mr. Porter) has now become a member of the uneven string of unmatched pearls which make up the Treasury benches. They say that in order to determine the genuineness of a pearl, you bite it, and to the extent we have been biting into this string, we have discovered a certain pastiness about it, that does not suggest genuine quality. However, I wish the Hon. Minister every success and I come now to the second child, the Hon. Minister without Portfolio, (Mr. Webster) who has inherited the mantle of Mr. Goggins.

Now, this Minister came into the government under rather unusual circumstances. As a matter of fact I am told he literally blasted his way into the Cabinet by going into the office of the Hon. Prime Minister and accusing him of being most inaccessible Prime Minister in Ontario's history, and for that unusual and fresh remark, he was constantly rewarded with a ministerial mantle. Well, we will hear a report from him, and we will as in the case of the Hon. Minister of Planning and Development (Mr. Porter) judge him on his merits and see whether or not the Hon. Prime Minister made a wise choice.

Now, May I, Mr. Speaker, join with the Hon. leader of the opposition (Mr. Jolliffe) and the Hon. leader of the Liberal party (Mr. Hepburn) in congratulating the Hon. member

for Haldimand Norfolk (Mr. Martin) and the Hon. member for Peterborough (Mr. Scott) who moved and seconded the motion now before us. The Hon. member for Haldiman Norfolk (Mr. Martin) will not mind, I am sure, if I find little in the contents of his speech with which I agree. However, I want to say to the Hon. member (Mr. Martin) that I have learned since the Session has opened that the Hon. member for Haldimand Norfolk (Mr. Martin) has lost a son in this war, and, quite apart from any political differences we may have, I want to say to my Hon. friend that we respect him as a man who has made the great sacrifice in this war, and that he share what I am sure is his hope that that sacrifice shall not have been made in vain, and that within his lifetime we will see in this Province, and in this Dominion, a genuine fruits of the victory for which his son has given his life.

Mr. Speaker, I always find it easy to say nice things about my Hon. friend from Peterborough (Mr. Scott). He is a very, very genial man, and we, at this end of the House, find him very easy to get along with; in fact, I find it awfully difficult to put him in the category of "tory reactionary". He is an awfully nice person, and the time may come when he will request to have his desk moved over here, and when that time comes, we will be glad to welcome him.

Now, may I say that I have listened with very great interest to somewhat lengthy address of the Hon. leader of the C.C.F., the official opposition (Mr. Jolliffe), and I found it an extremely interesting address, very carefully prepared, with all the thoroughness that we may expect from a man highly trained academically, but I was rather disappointed that the Hon. Prime Minister of this Province,

in his three-way contribution to the debate, almost completely ignored everything that the Hon. Leader of the opposition (Mr. Jolliffe) said; he did touch on one or two points, and he told us that he intended to cover the others when appropriate Bills came before the House. I hope that does not mean we are going to have fifteen or twenty --

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I know there will be so many inaccuracies, that I cannot correct them all, but I did not say "appropriate bills before the House", I said on the estimates of the various departments.

MR. MacLEOD: Mr. Speaker, I very gladly retract my statement. Apparently I did not hear the Hon. Prime Minister correctly, and there was no desire on my part to be untruthful.

However, there is another point which I think has been overlooked. I happen to read the classified ads occasionally and I noticed one not so long ago when I was scanning the birth's column, that the Hon. leader of the opposition (Mr. Jolliffe) is now the father of a young son. He is to be congratulated. I beat him to it by thirteen months. I was trying to explain to myself just why the hon. leader of the opposition (Mr. Jolliffe) was so terribly irritable yesterday afternoon during the closing moments of the Session, and being unable to think of anything else, I thought perhaps he had been up until the small hours of the morning with his newly born son. I hope that does not happen too often, because the hon. leader of the opposition is not particularly pleasant, when he is in an irritable mood.

The Speech from the Throne refers at the outset

to the outstanding fact of our life to-day, mainly, we are still engaged in a terrible war, and the hon. leader of the opposition, in his more extended remarks on that subject, pointed out the very great improvement that had taken place in the military situation since this House adjourned just about a year ago. I think that those changes have been so great that it is a little difficult for people like ourselves to apprehend just how great they are. Who would have thought that it would be possible within a year to see France liberated in a large measure the greater part of Italy, Roumania, Bulgaria, the greater part of Hungary, the greater part of Yugoslavia, Poland, and Finland, and that to-day the armies of the western Allies would be on the Rhine, and our northern Allies fighting within twenty-five miles of Berlin? That is a tremendous achievement. But, Mr. Speaker, I am bound to say in my judgment, there is some close connection between these amended military achievements and the matter which I raised when I first spoke in this House a year ago.

I dwelt at some length with the historic meeting that had taken place in the Persian capital between Mr. Churchill, Mr. Roosevelt and Premier Stalin -- the first meeting between these three men. I said then I should not look upon them as ordinary individuals, but would rather see these men be representative of the collective intelligence of mankind trying to lay down a basis for ending this war as quickly as possible, and laying the foundation of a peace structure, which would make another catastrophe of this kind impossible. I think that every thing said in the way of attaching importance to this meeting has been fully justified by subsequent events. Not only have the military developments been highly satisfactory, but there have also been very

outstanding political events. The Bretton Woods conference on -- I cannot get the words; however, most of the Hon. members know what the Bretton Woods conference was -- the Dunbarton Oaks conference, and, of course, within recent days -- within the last two weeks or so the monetary conference, that is what I was thinking about; I did not why I could not think of it -- within the last two weeks the second meeting between President Roosevelt, Prime Minister Churchill, and Premier Stalin at which final decisions were taken for the "knock-out" blow against Germany, and considerable discussion of outstanding and longstanding political understanding between the Allies, and perhaps most important of all, the decision to hold in the City of San Francisco on the 15th of April next, the first world security conference.

(Page 935 follows)

To me, there is something about all this that should stir the hearts of men forward, and I was struck by the fact that in practically every European capitol the announcement of the Crimea Agreement was the occasion of more mass demonstrations by people of those capitols, who understood that the decisions reached there were decisions that would make it possible for them to live their lives in security, with bright prospects, and that the war which enveloped so many of them would not occur again for some generations, if at all.

I was very glad to see, in the Press, the other day that the great World Trade Union Conference held in London which was attended by my honourable friend for West York (Mr. Millard) hailed the achievements in the Crimea with great enthusiasm. It said:

> "Delegates from thirty-five countries, attending the World Trade Union Conference in London, and representing over 60,000,000 workers of freedom-loving countries, have learned with deep satisfaction the results of the Crimea Conference."

Think of that, 60,000,000 workers.

> "We hail the announcement that leaders of the British, United States and Soviet Nations, together with their General Staffs, have agreed upon measures for even further accelerating the war against Hitlerite Germany, and bringing it to a speedy and victorious conclusion.
>
> "We fully support your declaration that every vestige of the hateful Fascist regime must be eradicated, and the practical measures that you have adopted to bring about this result, and to guarantee that it shall be uprooted and completely destroyed."

And, within the last week or so, the President of the United States and the Prime Minister of Britain have felt it necessary to appear before supreme bodies in their respective countries to report the practical results and achievements at the Crimea. I would strongly urge, however, every hon. member of this Legislature, who has not done so, should make sure that he reads the complete text of Mr. Churchill's speech to

The Commons a few days ago, and, as well, the speech of President Roosevelt to Congress, which, perhaps, many of us heard on the air. Mr. Roosevelt, in his address, said:

> "The structure of world peace cannot be the work of one man or one party or one nation. It cannot be just an American peace or a British peace or a Russian peace or a French or Chinese peace. It cannot be a peace of large nationa or of small nations. It must be a peace which rests on the cooperative efforts of the whole world."

And he continued:

> "There can be no middle ground here. We shall have to take responsibility for world collaboration or we shall have to bear the responsibility for another world conflict."

Mr. Churchill said:

> "I suppose that during these last three winter months the human race, all over the world, has undergone more physical agony and misery than at any other period through which the planet has passed. I never felt so grave a sense of responsibility as I did at Yalta."

And he concludes:

> "The United Nations have the unchallengeable power to lead the world to prosperity, freedom and happiness. The great powers must seek to serve, and not to rule the world. Joined with other states, both large and small, we may found a large world organization, which, armed with ample power, will guard the rights of all others, great and small, from aggression or from the gathering of the means of aggression. I am sure that a fairer choice is open to mankind than they have known in recorded ages. The lights burn brighter, and shine more broadly, than before. Let us walk forward together."

Now, Mr. Speaker, I, for my part, regret that we hear in this country of our vices that seem to take what I would call a ghoulish delight in casting suspision on the meeting at Crimea and subsequent conferences, and not only that, but go out of their way to ridicule even such meetings as the World Trade Union Congress, from which my hon. friend has just returned. For instance, I have here the March issue of the "Canadian Forum". Now the "Canadian Forum" is not in any sense of the word officially connected with the CoOperative Commonwealth Federation, but it is a fact that the "Canadian Forum" is edited

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by a group of people who certainly make up a large part of the brain trust of the C.C.F.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): That is entirely incorrect.

MR. MacLEOD: I do not think anyone will deny that a very frequent writer of editorials in this magazine is the President of the Ontario Section of the C. C. F. Progressive Group.

MR. JOLLIFFE: That is not correct, either.

MR. MacLEOD: Who are the editors of this paper? I read it every month, and I rarely pick up an issue in which there are not articles or reviews by Professor Grube, Professor Scott, Professor Havelock, Professor McCurdy, and a number of other professors. It sounds like the official Roster of the Toronto University, but, if the hon. Leader of the Opposition (Mr. Jolliffe) takes no responsibility for this, that is his privilege, but I am merely quoting from the "Canadian Forum", and it says:

> "After dismissing the Crimea Conference as of no no consequence, it was just a case of three ageing men playing with the human race like so many checkers on a board."

Then it gets down to the question of the Trade Union Conference, and it says:

> "Reports from London lead to the saddening conclusion that it is not merely national governments in our war-torn world who react to international issues in a purely self-centred national syrup. For one thing, the A.F. of L. of the United States refused to attend the conference, because it will not have anything to do with the Russian Trade Unions, whom it accuses, with some justice, of being only stooges of the totalitarian Soviet Government."

And it continues:

> "No doubt, the World Trade Union Conference will conclude with some resounding declarations of international solidarity, but at the moment we are in some doubt as to how Labour solidarity is distinguished from the solidarity achieved with equal eloquence among the

> national governments. This seems to leave the Christian Churches as the only satisfactory exponents of human brotherhood. They maintain their ideals unsullied, by taking care never to hold international meetings with one another."

Well, I could go on quoting from the "Forum" pretty much along the same line, and I want to say this, that this sort of stuff not only appears in the "Forum", it appears to have been in the regular, recognized Press of the Co-Operative Commonwealth Federation in British Columbia, in Ontario, the Commonwealth published in this province, and in the Maritime, the Commonwealth published in the Maritime Provinces, and I say this sort of thing, at this critical moment in world history, does a very great disservice to a system that I believe is capable of making a great contribution to this country.

I think, Mr. Speaker, as we recall what has been happening in this world for the last five years, when we recall that literally millions of human beings have been slaughtered needlessly, with no attempt on the part of world statesmen to obviate a forthcoming necessity of going through this blood bath again, they deserve commendation and the warm-hearted support of human beings everywhere in the world. I do not think we have ever lived at a time in human history, and I do not think that at any time in human history has it been more true to say:

> "There is a tide in the affairs of men which, taken at the flood, leads on to fortune. Omitted, all the voyage of their lives is bound in shallows and in misery."

The community cannot again stand the shock and the sacrifice and the blood spilling that we have gone through during the past five years or more without completely wrecking all possibility of social advance, and I say that it is the responsibility of every hon. member in this Legislature, regardless of party affiliation, to lend his and her support to the

creation of a better understanding of these great events, and not just take pot shots at people who are making a supreme effort to save the world from disaster.

MR. JOLLIFFE: Are they above criticism?

MR. MacLEOD: No. There is a big difference between criticism and slander. Criticism, in time of war, or, for that matter, at any time, should be directed toward the attaining of a specific objective, but no less criticism.

The hon. Leader of the Opposition (Mr. Jolliffe) said in his speech he had great confidence in the fighting soldier, but he regretted to say that he did not have anything like that confidence in the leaders.

MR. JOLLIFFE: That is right.

MR. MacLEOD: Now, Mr. Speaker, the great events that the hon. Leader of the Opposition mentioned in his speech were not just the result of courage. A man can be very brave, a soldier can be very brave, but unless his bravery and courage are directed by an effort of military strategy, unless the general staff is able to give the over-all direction to that courage and tenacity that the soldier has, even his courage can avail very little.

(Page No. 940 follows.)

I want to say that in my judgment the human race to-day should feel profoundly grateful for the fact that there are such world leaders and such great statesmen as Franklin Delano Roosevelt, Winston Churchill, and Joseph Stalin.

AN HON. MEMBER: We are very grateful for them also.

MR. MacLEOD: There is no use talking to my friend, because what I am talking about now passes his comprehension, he just does not understand it.

AN HON. MEMBER: I am afraid there is a lot more who do not.

MR. MacLEOD: However, Mr. Speaker, everything that I have said, I think, indicates that what has happened in this world during the past year or two has a very direct bearing upon our own future as a nation. Canada has this much in common with other countries, that she is part of the same world. Canada is a nation that depends very largely upon export trade for her survival; and it is impossible for us to have a very bright picture of post-war prospects for this Dominion, unless we understand that those prospects can only be realized in a world of social and economic stability.

If there is going to be chaos in Europe, if there is going to be civil war in the liberated countries, then it will be quite impossible for Canada to find markets for the surpluses that she produces. Canada needs world stability in order to provide full employment and production and general security for her people in the post-war days. That is why I think it is very appropriate to discuss these matters here.

I was taken to task last year by the Hon. member for Cochrane for spending a lot of time upon matters which did not affect Ontario. Ontario does not happen to be an island by itself. Ontario is part of Canada, and Canada is part of the world.

AN HON. MEMBER: Ontario needs some attention.

MR. MacLEOD: I will get down to that in due course. I say that a country such as ours, with its industrial potential, its potential for producing things that this world needs, cannot help but feel happy over the fact that a supreme effort is being made to prevent a repetition at the end of this war of those things that occurred during the last war, and that kept Europe in a state of turmoil for a quarter of a century.

Now, I am very glad to find that there are people in this country, among them whom we call capitalists, who are thinking of the future in much the same terms that I am thinking of it now. I mentioned one of those this afternoon, in my last remarks here. I quoted Mr. Wilson, the President of the Royal Bank of Canada, who said, first of all;

> "First of all, what are the general objectives to be sought after the war? It seems to me that we must think of several. (1) Seeking the best means of turning our abundant natural resources into use for the benefit of the country. (2) Planning to eliminate mass unemployment and remove the fear caused by feelings of insecurity. (3) Bringing together the interests of business, agriculture and labour. (4) Preserving our front against inflation, while protecting ourselves against stagnation and depression."

I think that is a very good sentiment. I noticed a letter in the Toronto Star the other day from the Hon. member from St. David (Mr. Dennison). The Hon. member for

St. David writes a lot of letters to the papers, when he is not attending to his bees or introducing Bills. And I ran across this letter, -- I just want to make sure that I have what I want to say from the letter ready. Just let your soul rest in peace over there.

Says the Hon. member for St. David:

> "Labour Progressive members who are sincere will look beneath the surface of this alternating Socialist and capitalist demagogy they will discover the political opportunism that is the real core of Canadian Communist policy. They should repudiate the action of their leaders who now seek to bolster up the faltering Liberal machine by trying to deceive the workers into a belief that capitalism can or will provide jobs after the war. This is an historically proven fallacy.

Well, Mr. Speaker, if you accept that at its face value, then there is going to be large scale unemployment and misery in this country as soon as the war ends, if it is an historically proven fallacy that capitalism can provide jobs. Now, I find them very difficult.

My Honourable friend from Ontario (Mr. Williams) says he finds it very difficult to understand the workings of our minds. That is mutual, because you people on the other side of the House, when you talk about socialism, usually talk about New Zealand as the model on which you desire to base yourselves. It has always been my opinion and the opinion of other students of the question, that New Zealand is not a socialist country. There is no socialism in New Zealand.

MR. JOLLIFFE: It is well on the way.

MR. MacLEOD: That is just what I was waiting for, and if there are any capitalists here, the fact that socialism is well on the way in New Zealand should set your minds at rest, because there is nothing to happen to you.

I am quoting from an article in the American New

Leader, -- that is a good orthodox magazine. I have no doubt that the Hon. leader of the opposition (Mr. Jolliffe) regards it as an organ.

MR. JOLLIFFE: No, I do not.

MR. MacLEOD: At any rate, the writer of this article is persona grata with the Hon. leader of the opposition, for it is the Hon. Walter Nash, Laborite Deputy Prime Minister of New Zealand, and he says:

> " The fact that New Zealand has been controlled by a Labour government has not meant that capital invested in industry has suffered. On the contrary corporation profits and rates of dividends .... have consistently increased not only from 1935 to 1939 but all throughout the war."

What on earth is Mr. Trestrail getting so excited about?

MR. SPEAKER: I ask hon. members to stop these asides. They do not contribute to the debate at all.

MR. MacLEOD: Thank you, Mr. Speaker. So far as we are concerned we listened in silence to the Leader of the Opposition without making any interruptions at all.

MR. SPEAKER: I would ask hon. members to address the Chair if they wish to put a question.

MR. MacLEOD: If we can believe the deputy Prime Minister of New Zealand there is no socialism in that country.

MR. JOLLIFFE: I did not say there was. Read the rest of the article.

MR. MacLEOD: I have read all that I have here. I cannot read the whole book.

MR. CASSELMAN: When the hon. member quotes from an article he should be prepared to produce it all.

MR. SPEAKER: I shall have to name an hon. member if these asides and interruptions continue. The hon. Leader of the Opposition is quite capable of taking care of himself. If an hon. member desiring to put a question addresses the Chair I will ask the hon. member who has the floor if he consents to a question being asked, but I am not going to have the House controlled from the side benches. This cross-fire must cease. Does the Leader of the Opposition wish to ask a question?

MR. JOLLIFFE: I am perfectly satisfied with the way in which the hon. member for Bellwoods has quoted from the article, because it is just what I expected of him.

MR. MacLEOD: I do not know that it is the custom of the Deputy Prime Minister of New Zealand to express two

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diametrically opposite points of view in the one article. I am simply repeating what he said, that a Labour government in New Zealand has not meant that capital invested in industry and farming has suffered. On the contrary corporation profits and rates of dividends and farmers' incomes as well as wages, have consistently increased not only from 1935 to 1930 but all throughout the war. I am not objecting to that at all. I am simply giving it as a fact.

But if hon. members opposite are not satisfied with that, in line with the sweeping statement made by the hon. member for St. David (Mr. Dennison) I would like to read a short quotation from what the Right Hon. Herbert Morrison said, and I am sure hon. members will not object to my quoting him because he does not have a very high opinion of people with my point of view and he has been praised by Mr. Coldwell and other leaders of the C.C.F. I quote Mr. Morrison from an article which appeared in MacLean's Magazine of May 15, 1944, in which he said:

> "In the war we have on the whole risen to very great heights of unselfish unity. All of us in all classes have shown readiness to accept sacrifices and hardships in the interest of our country, and of a cause wider than our country, in which we all profoundly believe. If we can keep up to that standard when peace comes there is good hope of the better world to which we all look forward. If we can't then we shall get ourselves into trouble through our own folly, shortsightedness and selfishness, just as men have so often done in the past."

Now listen. He goes on:

> "Don't let us look for any free and easy Utopia, don't let us expect that heavn on earth will come all of itself if only the bad old men of the stupid government or some other villain of the piece will let it.

> "There is a certain amount of word spinning about private enterprise. For some time to come after the war -- and I don't mean only the so-called transition period when we are still in a state of economic emergency, but a period longer than that -- the real practical issue in Britain will not be the maintenance of private enterprise."

According to Mr. Morrison there is no self whatever that in the immediate future capitalism or free enterprise, or whatever you want to call it will disappear in Britain. I only wish that the leaders of the C.C.F. party in this country were taking the same commonsense point of view that the leaders of the Labour party in New Zealand, and the leaders of the Labour party in Australia and the leaders of the British Labour party in Britain are taking.

MR. DENNISON: May I ask the hon. member a question?

MR. MacLEOD: I would prefer not to be interrupted.

MR. SPEAKER: The hon. member desires to ask a question?

MR. DENNISON: Yes.

MR. SPEAKER: What is the question?

MR. DENNISON: Would the hon. member like me to inform the House of the rest of my letter and give the one sentence which was not put in the Star, which materially affects the argument the hon. member is now making.

MR. SPEAKER: Does the hon. member for Bellwoods desire to answer the question or to proceed?

MR. MacLEOD: There is nothing to answer there at all.

MR. SPEAKER: Then proceed.

MR. MacLEOD: I do think it is important for us to have a pretty clear picture in our minds as to what the set-up is going to be in this country when the war ends. I do

not think we should write letters like this to the press that somebody is deceiving the workers into believing that capitalism can or will provide jobs after the war and that that is a historically proven fallacy.

I do not know, Mr. Speaker, what historian proved it to be a fallacy. The founder of what I think most people agree is scientific socialism, a man by the name of Karl Marx, said eighty five years ago that economic systems do not die or disappear when they are expanding and with the possibility of greater expansion before them. I think the outstanding fact of our time and for some little time to come is that capitalism in this world is very strong as an economic system and nothing that I say against it or in its favour can alter that fact one iota. The fact is that we live under this system, and this is the system we shall live under even if the C.C.F. come into power in Ottawa or in Ontario, and any benefits that the C.C.F. say that they would give to the people of Canada would come because of the fact that capitalism was a stable and expanding economic system. But that does not alter the fact for one moment that the day will come in my judgment when the majority of people in this country will decide that capitalism is not a system under which the people of this country can reach the highest level of their development. That is my opinion. But that time is not now, and loose talk and vague promises do not help the situation. I heard the Leader of the Opposition (Mr. Jolliffe) speak in Regina last year and say: The issue facing you on the 6th of June, or whenever it was, and the issue you will have to decide is whether you are going to live under capitalism or whether you are going to live in a cooperative commonwealth.

MR. JOLLIFFE: Mr. Speaker, I ask that the hon. member (Mr. MacLeod) to withdraw that statement. I made no such statement at any time in the Saskatchewan campaign.

MR. MacLEOD: I am sorry, but I cannot withdraw it, because I heard it with my own ears.

MR. JOLLIFFE: I am asking you to withdraw it; you did not hear it with your own ears.

MR. MacLEOD: In the City of Regina -

MR. JOLLIFFE: Mr. Speaker, I think we have had about enough of these rude and irrelevant statements which are quoted and taken out of their context, and I will not have the hon. member (Mr. MacLeod) quoting me as saying something that I did not say at any time.

MR. SPEAKER: May I say to the hon. member for Bellwoods (Mr. MacLeod) that the hon. Leader of the Opposition (Mr. Jolliffe) disputes a statement, and asks you to withdraw it. Do you wish to do so?

MR. MacLEOD: Mr. Speaker, if under the rules of the House -

MR. SPEAKER: I am asking the question.

MR. MacLEOD: Mr. Speaker, if under the rules of the House I am compelled to withdraw a remark which I believe to be true, then I will withdraw it -

MR. SPEAKER: Do you withdraw?

MR. McLEOD: No, I do not withdraw.

MR. JOLLIFFE: Then I wish to inform the House that the statement is entirely false.

HON. GEORGE A.DREW (Prime Minister: Mr. Speaker, I have no desire to get into this, but I think the rule is very clear that if a statement is made, and the hon. member about whom it is addressed said it was not made, then it is an obliga-

tion upon the man quoting the words to withdraw them.

MR. JOLLIFFE: Mr. Speaker, I think that is correct, but on the whole it may be that it is not as important as both the hon. member for Bellwoods (Mr. MacLeod) and I have made it appear. Every hon. member of this House knows me well enough to know I would make no such absurd statement. The issue to which he referred will not be decided in any provincial election or municipal election. The hon. member for Bellwoods (Mr. MacLeod) knows very well that I am intelligent enough to make any such statement.

MR. SPEAKER: My understanding is if an hon. member makes a statement, and the one concerning whom it was addressed, denies it, then the other hon. member must accept his word. Does the hon. member for York South (Mr. Jolliffe) deny the statement?

MR. JOLLIFFE: Yes, Mr. Speaker. I deny the statement.

MR. MacLEOD: Mr. Speaker, I am always very happy to abide by any ruling that you give, and if it is your ruling, under the rules of the House, that I must withdraw, then, of course, I will withdraw - and thats that.

Now, let me come to Ontario. When we met here last year we were faced with a situation where the government did not have a working majority in this House. We had been approached by the press prior to the opening of the House, and asked what our attitude would be, and we said we would give our fullest support to every piece of good legislation that this government introduces. We recognized that it was the desire of the people that the Legislature whom they elected to office in August of 1943 should find some way of carrying on the business of the province, and we felt that since the present

Prime Minister had been summoned by His Honour to form a government that everything should be done to facilitate its programme at the last session; consequently, on most questions we supported the government, unless there was some clear-cut issue before the House, upon which we felt we should withdraw our support.

Such a situation arose when the budget was finally passed by the House. Everyone here will recall that on the Speech from the Throne the Opposition introduced no amendment. They voted against the Speech from the Throne, or, at least, the motion to thank His Honour for his gracious speech - I think that is it - and that did not strike me as a very sensible thing to do because after all, it was simply the outline of the government's programme, the motion was one that a reply should be properly addressed to the Lieutenant Governor. And I cannot see why anybody would want to make political capital out of voting against a motion of that kind. However, when we got down to the budget, the Opposition did move and amendment, although there was pretty general agreement that the budget might pass without an amendment, but an amendment was finally brought in, and it was very much like the old amendments which the late Mr. Woodsworth used to move in parliament at Ottawa - "this House regrets that the Government is not establishing a "Co-operative Commonwealth".

MR. JOLLIFFE: Oh, no, it was not.

MR. MacLEOD: It was something of that kind. It was a very nondescript type of amendment, which neither said what it meant, nor meant what it said. It was simply a form of words, and we refused to be put in the position of voting for that kind of a political amendment, and we, therefore, voted against the amendment, and then voted against the budget.

However, a year has passed since then. I think the hon. Prime Minister and his colleagues on the treasury benches would have to admit - and I think they would admit - that no government ever faced a more co-operative opposition than faced him last year - by and large. Everything was done to facilitate the work of the House to te through the legislation that he put before us.

However, a lot of changes have taken place since then. The government has, in my judgment, completely usurped its power, and has abused the mandate given to it my this Legislature.

The hon Leader of the Opposition (Mr. Jolliffe) - and now I am going to say something that he will like - made a very exhausted analysis of the government 22-. programme; everyone of them, from 1 to 22, and it took three hours to do it. And the government, on its part, has had little to say. The hon. Prime Minister has complained about certain ads which appeared in the paper, and I am frank to say that the general charges made in those ads were pretty much in line with the charges made by the hon.Leader of the Opposition; the only difference being that he had a much longer time to amplify, whereas we were compelled to confine ourselves to very small space in the newspapers. After all, we do not have the millions that George McCullough and "Bill" Wright with which to buy space in the newspapers; we have to compress what we have to say into a very small space. But, by and large, the indictment by the Hon. Leader of the Opposition is as yet unanswered, and I think it is the desire of this House that at some time some hon. member of the government will get up and defend as forth-rightly its position on these questions, as the hon. Leader of the Opposition did when he laid bare the government's record.

Now, Mr. Speaker, in view of the lateness of the hour, I move the adjournment of the debate.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): As I explained yesterday, we will proceed with the budget to-morrow. Mr. Speaker, I move the House to now adjourn.

Motion agreed to, and the House adjourned at 6 o'clock.

THE LEGISLATIVE ASSEMBLY

SEVENTEENTH DAY

Toronto, Ontario,
Friday, March 9, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I have here a message from the Lieutenant Governor, signed by his own hand.

MR. SPEAKER: "The Lieutenant Governor transmits Estimates of certain sums required for the services of the Province for the year ending 31st March, 1946, and recommends them to the Legislative Assembly.

"Toronto, March 9th, 1945."

Orders of the Day.

HON. GEORGE A. DREW (Prime Minister): Order No. 40.

THE CLERK OF THE HOUSE: Order No. 40, the House in Committee of Supply — Mr. Frost.

HON. LESLIE E. FROST (Provincial Treasurer): Mr. Speaker, in moving that you do now leave the Chair, and the House resolve itself into Committee of Supply, I would like

The House
Prayers.
MR. SPEAKER
Reading and
Resolution
Motions.
Introduction
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his own bed.
MR. STEWART
Leave to
Report
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HON. MR.
Speaker,
Judge

to say that a year ago, when introducing the Budget for the fiscal year 1944-45, I said that we had met in most difficult days; that we had a long and difficult path ahead; that this was a wartime legislature and that the Budget would be a Wartime Budget. All of these things hold true to-day. Victory is assured if we adhere to our determination to win. The path which leads to peace is still difficult. There are great sacrifices in men and material still to be made. This is still a wartime legislature. This, again, will be a Wartime Budget.

Last year I discussed at some length Dominion-Provincial relationships, including our field in the wartime economy, particularly as circumscribed by the Dominion-Provincial Agreement.

I know that the hon. members of this House may be a little bit tired of hearing about the Dominion-Provincial relationships, but, in the language of the Bible, "upon it hangs all the law and the prophets".

I referred to the unselfish cooperation which the Province of Ontario was glad to extend in order to assist and encourage the Government and Parliament of Canada to wage total war against the Axis powers. As a result our postwar planning has been made much more difficult. While most States of the American Union have piled up huge cash surpluses to be used in postwar development, the Province of Ontario has turned over to the Dominion Government taxing rights from which very large sums would have accrued to the Province.

The Government believes that it is most important that there should be a clarification of the various fields, including that of taxation, to be occupied by the Dominion and Provincial Governments. Otherwise, it is quite impossible for

this Province and its more than 900 municipalities to properly deal with postwar questions. It is inevitable that the Province will be confronted with great expenditures following the war. It is necessary that we should not only have plans prepared to undertake these tasks, but we should know how long it will be before we may expect to receive sufficient revenues from our own fields of taxation to meet the obligations which will be placed upon us.

Mr. Speaker, we do not attempt to conceal our disappointment at the failure of the Dominion Government to call a Dominion-Provincial Conference. It is of the highest order of importance that such a conference should be convened without further delay. We feel that on that conference depends the ability of the governments of all the provinces and their municipalities to plan wisely for the postwar days. Ontario has been willing and anxious to confer in a spirit of goodwill and cooperation as a member of a great Confederation with all other governments. Unfortunately, we have been denied the opportunity. The Government and Legislature of the Province of Ontario in good faith entered into the Agreement of 1942. In the same spirit of cooperation and good faith it had the right to expect that in this fiscal year just closing, when we are hurrying on to the days of peace, with all of the attendant problems, a conference would have been held to the end that this Province and all of the provinces of Canada could have planned soundly and wisely for the coming days.

Denied the opportunity of meeting at the conference table with the other governments of Canada, the Government of Ontario nevertheless proceeded to attempt to dispose of certain problems within its constitutional powers. Great injustices and inequalities exist in our tax structure. These have been

magnified and multiplied by the impact of heavy Federal taxation. One of the essentials of postwar planning is to bring about freedom of investment. The attraction of capital to our Province, and the free employment of the same, would create prosperity and work, inevitably leading, among other things, to larger sources of revenue. Duplication of taxation, particularly in succession duties, has resulted in restrictions in the investment of capital. It has been plain for some time past that this evil has been increasing. Barriers to development have thus been created. The Government of Ontario led the way, as I say, in its constitutional sphere in offering to the other provinces to eliminate the evils of multiple succession duties. Agreements have been arrived at with the provinces of Quebec and Nova Scotia. Other agreements are in contemplation. A sound step in the advancement of interprovincial relations has been taken. It is hoped that this will lead to ultimate uniformity in taxing methods and in the simplification of administrative procedure as between the provinces of Canada. Other conferences have been held on a variety of subjects. What has been achieved at these meetings is only a forerunner of what can be achieved at a wider conference. In such a spirit, the Government of Ontario, since August, 1943, has been ready and anxious to confer with the Federal Government and with the governments of our sister provinces.

The Government decided, however, that it should no longer wait in making a readjustment in municipal taxation and the costs of education. Desirable as a Dominion-Provincial conference would have been as a forerunner to such an adjustment, nevertheless, the Government held that it could no longer delay in this important matter if it was to proceed in

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its efforts for a sounder after-the-war economy. Real estate in Ontario has an assessed value of nearly three and a half billion dollars. Heavy taxation has discouraged building and improving, with the result that this great asset has been, to an extent, frozen. This has in the past reflected itself in reduced activities of the building trade, and it is in the falling off in this trade that most economic depressions have commenced. High taxation has discouraged our people from owning and building their own homes, and from owning and operating their own farms. As part of our plans for a greater Ontario it was believed that the Government should act without further delay, despite the fact that our Dominion-Provincial relationships had not been clarified.

Following are some of the considerations involved in the huge shift of the tax burden undertaken by this Government: -

1. To give full opportunities of education to every child.
2. To remove some of the crushing burden of taxation on real estate.
3. To encourage our fighting men with the knowledge that we are making it easier for them to own their own homes.
4. To encourage activities in real estate and induce employment in the building trades.
5. To enable the municipalities of Ontario to attract business and industry by reason of lower taxes.

As stated, one of the underlying reasons for the Province assuming so large a share of the cost of education was to take steps to ensure that every child in the Province would have the opportunity to be educated to the full extent of his

or her mental capacity, no matter where he or she might live or what the financial circumstances of his or her parents might be. Upon the health and education of our children depends the future of our Province. This adjustment of taxation, which is the greatest ever undertaken by any Province in the history of Canada, provides the opportunity for correcting glaring defects in our educational system. These include equalization of standards of buildings and equipment as between larger and smaller communities --

Only a few days ago a teacher said to me that this was, he thought, the emancipation of the school teachers. Perhaps I shall refer to that again a little later on.

-- providing broader facilities for vocational education, correcting disparities in salaries and enabling the unification of the small, single-room units into larger and more efficient schools with ampler facilities for meeting the needs of the day. The Government has not attempted to encroach upon the authority of the school boards, and is willing and anxious to cooperate with them in great education reforms. At this time, however, school boards are urged not to indulge in extravagance but to economize in a reasonable and practical way. Again I say, this is a Wartime Budget. At this time of crisis economy is essential.

Another reason for this great adjustment has been to reduce the excessive burden of taxation which has been injuring real estate. Since the inception of our school system by Dr. Ryerson nearly a hundred years ago school taxation has been principally levied upon real estate. The burden of taxation has increased. The relative value of real estate has lessened, - that is, the relative value of their assets have lessened.

We have scientifically added to the tax structure which was devised for conditions of a hundred years ago. At this time I frankly say that while it is the duty of the school boards to economize in every reasonable and practical way, it is the duty of municipal councils to pass the great reduction in school levies on to their taxpayers. In so doing our municipalities will not only be helping themselves and their ratepayers, but will also be assisting their government to bring about broader tax adjustments which will remove inequalities and injustices in our tax system, with all of their tragic effects on our development. A general adjustment in the tax load will provide the stimulation necessary to encourage agriculture, business and industry to provide for the development of our country and for the full employment of our people.

Now, I should like to say to the House at this moment, in an aside, that the mention of the possibilities of reductions and the possibilities of the extension of educational facilities should not be underestimated.

I have here some of the particulars of what these grants will be, and I notice high up in the list is the good old County of Brant. My hon. friend opposite (Mr. Nixon) will be interested to learn that the grant for his county, outside of the City of Brantford, will be increased from $57,800 to $190,000 in this year. Then, inasmuch as he lives so close to the City of Brantford, he will be interested to know that in the City of Brantford the increase is from $38,000 to $162,000.

Now, we have not forgotten Northern Ontario, and I see my hon. friend from South Cochrane (Mr. Crummett) smiling, and he has a right to smile, because the grant there is increased from $276,000 to $644,000.

My hon. friend from Elgin (Mr. Hepburn), who represents a real -- I was going to say "average" -- but a real good, representative county of the Province of Ontario, will be glad to go back home and report to his people that the grant there will be increased from $58,000 to $240,000.

And the hon. members from the two Greys (Mr. Patterson and Mr. Oliver) will be glad to know that the grant in the entire County of Grey will be increased from $242,000 to $359,000 next year.

Now, the City of Ottawa, I see, last year for all of its schools received $144,000, and this year it will receive $670,000.

Now, Mr. Speaker, we very seldom hear from the City of Toronto in this House, but the hon. members, themselves, will be glad to learn, -- there are several hon. members, including my friend from Bellwoods (Mr. MacLeod), -- in Toronto the total grant will be increased from $482,000, for all the schools, to no less than three and one half million dollars. I have a number of others here which I shall be very glad to give the hon. members later, but you will notice I have not mentioned the County of Victoria.

MR. HOWARD E. BROWN (Welland): May I ask a question? Are these all arranged-- I presume from these figures that have been thrown out these are arranged in ridings. The hon. Minister (Mr. Frost) apparently has the figures all down by ridings. What is the purpose of that?

MR. FROST: I would just like to show to this House the importance of the magnitude of these grants, and for the benefit of my friend from Welland (Mr. Brown), his county received $92,000 last year, and this year it will receive no less than $343,000.

I do that for the purpose of bringing to the House the magnitude of this taxation which involves upward of eighteen million dollars. Take, for instance, as I said, — I have never been accused of forgetting Victoria County, — and I would like to refer to my own town of Lindsay. I received a paper this morning to say the tax rate in the Town of Lindsay, which is a typical town, (and again I say that the people of Lindsay never admit that,) but it is a typical town of less than ten thousand population, in which the tax rate will be reduced by no less than seven mills. Last year there was another mill which we gave in this House which will mean that the educational grants' reduction in the Town of Lindsay will be no less than eight mills.

The tax rate, without taking the two mills which we reduced it, was forty-five and one half mills, and this year it will be three-four and a half mills.

For example, a young fellow comes home from the war and wants to buy a house assessed at four thousand dollars. What does he receive? Eight dollars a thousand, he will get twenty-four dollars in his pocket reduction in taxes, which is just like giving to that fellow a month's rent to apply on a house of that size.

I would like to say I have been interested to note in the Town of Lindsay there have been two new industries located there in the last two or three weeks.

I only say that to point out the fact that by the municipalities availing themselves of this sum or sums that are coming to them, great benefits can come to their people.

Now, Mr. Speaker, in approaching the problem a thorough study has been made of our whole provincial tax structure. When I say "thorough" I want to say it has been thor-

ough, and not only the Treasurer, but his staff for months past have been studying the difficult and complicated problem. Extensive reference was made to this matter in the Budget speech of a year ago. Without attempting a detailed examination of the rights which the Province derives from the British North America Act, it is well to remember that our constitution clearly limits the powers of the provinces, which are the powers of this Assembly, and reserves to the central government all powers not especially delegated to provincial authority.

Our powers as a legislature cannot be compared with the broad taxation and fiscal powers of the Dominion Parliament. We have no control of banking and currency, which are purely Dominion functions. The Dominion has complete control of indirect taxation. Anything which we might levy which would have the operation of taxing indirectly is ultra vires in this Legislature. The powers of the Province to raise money are limited generally to the following:-

1. Direct taxation
2. Borrowing money on the sale credit of the Province.
3. The management and sale of public lands and natural resources.
4. The imposition of licenses and the carrying on of certain commercial enterprises such as the Liquor Control Board of Ontario.

In the present difficult times we are confronted on the one hand with making, for the reasons stated, a very great change in real estate taxation which involves a very large increase in the amount of the provincial budget. At the same time we have the desirability of balancing our budget. In the face of this we are not blind to the fact that we have inequalities and injustices in our tax system which we believe if not remedied will materially hamper the development of our country,

restrict industry, lessen employment and diminish and render less buoyant the revenues of not only this Government but all the other governments in the Dominion of Canada. As stated before, we think that this is one of the very important matters which should be considered by a Dominion-Provincial conference, the urgency of which cannot be over-emphasized. We have made a very careful survey of further sources of revenue which could be derived by way of direct taxation, which include such as amusement tax, further taxes on tobacco and liquors, meals tax and sales tax. In taking the long view of our situation the question presents itself as to whether we should impose new taxes prior to a Dominion-Provincial conference which may radically alter the tax structure generally.

On the other hand we are faced with the necessity of conserving our credit by balancing our budget, stabilizing our net debt, which the hon. members will recollect has been running in the neighbourhood of half a billion dollars, and reducing the same when possible. I stated previously in this House that as soon as the Dominion-Provincial tax agreement is terminated that we should make provision for the orderly retirement of our present net debt and provide that all further borrowings should be retired within the lifetime of the works for which they were incurred. This, of course, is predicated on balanced budgets. The great increase in our provincial budget this year, brought about by educational and real estate taxation reforms, together with the clear limitations in taxation imposed upon us, raises the question of deficit financing to carry us through this difficult period. There are conditions of emergency in which deficit financing would have justification. I am not opposed to the proper use of credit. It is a real asset which in the belief of

this Government should be conserved and in cases of necessity should be soundly used. I repeat what I said last year. Our credit is a great asset which we should protect and conserve at all times for use in times of emergency such as we shall inevitably face at the termination of this war when sound expansion and development can be undertaken. It might be argued that the great adjustment which we are now undertaking, and which is designed to create better conditions following the war, is an emergency in which we would be justified in using our credit. I am not discounting this argument. At the same time I feel that this is a method to which we should not take recourse unless absolutely necessary. It has therefore been decided that we should presently adhere to our resolve to avoid, except where absolutely necessary, the creation of new debt. The Government feels that in sound development schemes of the future that we are going to require our credit for the construction of roads and public works which will tend to open up and develop the Province. When this time comes we hope, as stated, that the repayment of the same will be on an orderly basis within the lifetime of the works for which it was incurred.

May I here briefly refer to some of the development schemes which are in contemplation for postwar days. The whole field of conservation and flood control is being surveyed and investigated. Plans have been prepared which will lead to the development of the roads of the Province and the opening to our people and to the visitors whom we know will flock here, to the natural beauties of our Province. The Tourist Industry alone will bring to Ontario many millions of dollars annually in new business. Very extensive Hydro

Electric developments are in contemplation. Our forests will be conserved and used in such a way as to provide not only constantly expanding fields of employment, but new wealth which will inure to the benefit of our people. Increased expenditures will be made in conserving the fish and wild life of the Province from which we can get great benefits. Plans are in preparation for the Mining Industry upon which we confidently count to contribute greatly to the wealth of the Province.

In facing the problem, the Government first decided that a sound step was that of practising the old homely virtue of economy. Every effort has been ~~maid~~ made to avoid unnecessary overhead costs. The Government has constantly checked governmental expenditure in an endeavour to constantly keep the same under review, with results which I shall endeavour to report upon in detail. One of the heaviest charges upon the Provincial Government is the payment of interest or our Net Debt, which I said has been running in the neighbourhood of five hundred million dollars.

It is customary to refer to the cost of servicing the Public Debt and expenditures required to procure Foreign Exchange in order to meet the interest charges as well as the debt maturities on those debts which are payable in currency other than that of the Dominion of Canada as "uncontrollable expenditures". This is true only in part, as will be understood on an examination of the figures which I am about to give to the House.

Such expenditures are "uncontrollable" to the extent that commitments have been made by borrowing on the credit of the Province and issuing bonds with coupons bearing fixed rates of interest. Moreover, these bonds which contain a

provision entitling the holder at his option to payment in American Funds require the purchase of New York Exchange at a cost of 11 per centum premium, but, I am glad to state, we have been able to reduce the cost of interest by a very considerable amount.

For example:

The net cost of interest and Foreign Exchange for the fiscal year ended March 31, 1943, amounted to - - - - - - - - - - -	$ 22,945,087.02
For the fiscal year ended March 31, 1944, last year, - - - - - - -	22,182,488.74
and for the fiscal year which will end on the 31st March, 1945, this month, the cost will be - - - - - -	20,682,600.00

This shows an estimated reduction for the year which ends on March 31st, 1945, of - - $ 1,499,888.74

This impressive accomplishment is the result of following sound policy, especially in respect to re-financing maturing obligations. Three factors are worthy of some attention:

1. Debt Reduction.

As indicated in my Budget Address delivered on the 16th March last year, the Funded Debt of the Province as of the 31st March, 1944, showed an actual decrease for the fiscal year of - - - - $ 701,567.16

Treasury Bills outstanding were decreased by - - - - - - - - - - - - - $ 40,000,000.00

This year it is expected that the Funded Debt will be decreased by the sum of 27,109,209.98

Last year I went into some detail in the various types of debt and so on. I informed the hon. members that information would be available concerning these points.

Now, for the information of the House, I table

a statement giving a detailed summary of the estimated change in the Funded Debt for the fiscal year to end on March 31, 1945, showing a net decrease of - - - - - - - - - - - - - - $ 27,109,209.98

(Page No. 968 follows.)

PROVINCE OF ONTARIO

THE FUNDED DEBT OF ONTARIO

Detailed Summary of Estimated Changes for the Fiscal Year to end on March 31, 1945.

As at March 31, 1944 (after deducting Sinking Funds) $609,703,362.81

A D D - Sale of Debentures:-

	TFF - 3 1/2% - Due Oct. 15, 1973 - - -	$ 2,000,000.00
	RZ - 2 1/2 - Due Aug. 1, 1945-54 - -	10,000,000.00
	RAA - 1 1/2 - Due March & Sept. 1,1946-47	8,000,000.00
T/	TFE - 3 1/4 - Due Jan. 1, 1962 - - -	1,150,000.00
	TI - 4 1/2 Due Nov. 1, 1952 - - -	2,500,000.00
	TFB - 3 1/8 - Due Jan. 1. 1952 - - -	100,000.00
T/	TFC - 3 1/4 - Due Jan. 1. 1962 - - -	150,000.00
		23,900,000.00
		$633,603,362.81

L E S S - Redemptions: -

	RM - 2 % - Due May 1, 1944 - - -	$ 1,250,000.00
	AL - 4 - Due May 15, 1944 - - -	587,000.00
	AP - 4 1/2 - Due May 15, 1944 - - -	524,000.00
	AS - 4 Due June 1, 1944 - - -	505,000.00
	RK - 1 1/2 - Due June 1, 1944 - - -	1,200,000.00
	RD - 2 1/2 - Due Aug. 1, 1944 - - -	10,000,000.00
	RX - 1 3/4 - Due Sept. 1, 1944 - - -	2,000,000.00
	AG - 4 1/2 - Due Sept. 1, 1944 - - -	18,325,000.00
	RY - 1 3/4 - Due Sept. 15, 1944 - - -	1,000,000.00
	AK - 4 1/2 - Due Nov. 1, 1944 - - -	800,000.00
	RQ - 2 - Due Nov. 1, 1944 - - -	1,200,000.00
	RS - 2 - Due Nov. 1, 1944 - - -	1,050,000.00
	AH - 4 1/2 - Due Dec. 1, 1944 - - -	695,000.00
	AJ - 4 - Due Jan. 1, 1945 - - -	793,000.00
	AR - 4 1/2 - Due Jan. 15, 1945 - - -	460,000.00
	RB - 2 1/2 - Due Jan. 15, 1945 - - -	1,000,000.00
		$ 41,389,000.00
	Railway Aid Certificates - - - - -	19,478.29
	Increase in Sinking Fund and other Investments - Current Year - - - -	9,600,731.69
		51,009,209.98

Estimated as at March 31, 1945 (after deducting Sinking Funds) $ 582,594,152.83

Total Redemptions and Increase in Sinking Funds - - - - - - - - - - -	$ 51,009,209.98
L E S S - New Issues - - - - - - -	23,900,000.00
N E T D E C R E A S E - - - - - -	$ 27,109,209.98

Treasury Bills which were outstanding in the amount of $3,000,000.00 at the end of the last fiscal year have all been paid off. Therefore, the decrease in the Funded Debt and the Treasury Bills Debt for the current fiscal year amount to - - $30,109,209.98

2. I give you the particulars of Public Financing for the fiscal year which ends on the 31st instant:-

On August 1, 1944, there matured $10,000,000.00 of debentures issued on August 1, 1937, and bearing a 2½% interest rate. These debentures were sold at a rate of 97.79 or a cost of 2.85%. At maturity they were refunded by a $10,000,000.00 issue of 2½% debentures dated August 1, 1944, and maturing $1,000,000.00 in each year from 1945 to 1954. The debentures issued on August 1, 1944, were sold at a rate of 100.125 and cost over an averaged maturity 2.48%.

On September 1, 1944, there matured $18,325,000.00 of debentures payable in Canada, London and New York dated September 1, 1924, and bearing a 4½% interest rate. The debentures were sold at a rate of 94.8697 to cost 4.90576%. At maturity they were refunded as follows:-

1½% Provincial Issue - - - - - -	$ 8,000,000.00
Hydro-Repayment of Advances - - -	8,176,575.13
Consolidated Revenue Fund - - -	2,148,424.87
	$ 18,325,000.00

The Province issued to refund in part the above maturity 1½% debentures payable in New York in the amount of $8,000,000.00 dated September 1, 1944, and maturing at the rate of $2,000,000.00 on March 1, and September 1, 1946, and March 1, and September 1, 1947. This refunding issue was sold at a price to cost 1.67%. The Hydro Electric Power Commission of Ontario issued, to refund in part their repayment

of $8,176,573.13, debentures in the amount of $5,000,000.00 dated September 1, 1944, payable in New York and bearing an interest rate of 1½%. This Hydro issue was sold at a price to cost 1.70%.

(Page No. 971 follows.)

3. I am able to inform the House that interest charges for the fiscal year which begins on April 1st will show a further reduction. In planning the financial programme of the Government in such a way as to secure the benefits of further reduction in interest, I now inform the House of one transaction in refunding which will save more than $225,000.00 in interest charges next year - In July of 1942 the Government of the day borrowed $15,000,000.00 in New York to meet maturing obligations. The coupon rate was 2½%; the term of the loan was 3 years; and the price obtained for the debentures resulted in the money costing 3% per annum. I am not at all criticising this transaction, which, in view of the military and world political situation that existed at that time, was, insofar as I can judge, an advantageous transaction for the people of the Province of Ontario. These bonds, bearing a coupon rate of 2½% and amounting to $15,000,000.00 mature on July 1st next and must be met and either paid off or refunded in the United States. To pay them off in American Funds would entail a cost in Foreign Exchange of 11%, amounting to $1,650.000.00. It has been decided to refund the whole loan in New York, and I am gratified - and I am sure that the House will be gratified to know - that we have been able to refund this loan at an interest cost of slightly less than one-half of

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that of the existing loan made in 1942. The new loan instead of bearing a coupon of 2½% per annum, will carry a coupon of 1¾% per annum. The cost of the money will be less than 1½% per annum, if I remember right it will be 1.45%, and the actual saving during the currency of the loan will be in excess of $225,000 per annum. This one transaction in itself, resulting as it does in an annual saving to the taxpayers of Ontario of over $225,000 marks a new achievement in government financing by this Province. It indicates the high credit standing of the Province and I hope that the House will agree that some credit is due the Government of the Province for the very advantageous results of refunding a loan of $15,000,000.00 during these very unsettled and difficult times.

Mr. Speaker, I should now like to report for the year 1944-45, -- that is for the year ending March 31st, 1945.

I should now like to report to the House on the business for the year terminating on March 31st. The same will be based on ten months' actual business and two months' forecast. In so doing I should like to refer to the Public Accounts of this province which have been published and are now in the hands of the Members. These Accounts were not available at as early a date as I should have liked owing to the almost insuperable difficulties of printing the same under wartime conditions. As I stated last year, there are many improvements concerning the presentation of the Public Accounts which are in my opinion desirable.

Now I should say to the House that the difficulties which we had in this regard are the same in our sister Province of Quebec, which have been received within the last few days. Ours were a few days earlier. Such improvements at the present time are impossible due to shortage of equipment and skilled help. It is therefore not feasible at the moment to undertake a radical change in our accounting system.

THE PROVINCE OF ONTARIO SAVINGS OFFICES

The Province of Ontario Savings Offices must not be confused with banks. The Province has no constitutional authority to engage in banking as such. The offices are merely savings offices. We cannot make loans, as such, I mean in the ordinary course. The Province is conducting at the present time twenty-three branches in which is deposted, as of December 31, 1944, in excess of $38,000.000. The deposits show an increase of almost $4,000,000 for the year ending that date. Again the Province of Ontario in its desire to assist in the prosecution of the war has encouraged the depositors in Savings Offices to invest in Victory Bonds, with the result that depositors from their savings have purchased in excess of six and three-quarter million dollars in the purchase of this great security. Despite this the deposits are steadily increasing and it is confidently expected they will be much higher during the year 1945.

HIGHWAYS

The expenditures of the Department of Highways have, as indicated in last year's budget, been restricted due to wartime conditions. The Department has followed the wise policy of avoiding expensive extensions and instead

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we had in [illegible]
of Quebec [illegible]
days. [illegible]
at the [illegible]
equipment [illegible]
at the [illegible]
ing system.

not be [illegible]
ution [illegible]
officer [illegible]
as such, [illegible]
concerning [illegible]
which [illegible]
$38,000 [illegible]
$4,000,000 [illegible]
vince of [illegible]
of the [illegible]
to have [illegible]
from [illegible]
three-[illegible]
security [illegible]
creasing [illegible]
much to [illegible]

have, [illegible]
due to [illegible]
wise p[illegible]

has concentrated on the type of work which would assist the greatest number of our people. The agricultural communities have benefited greatly by the avoidance of heavy expenditures on King's highways and the payment to our rural municipalities of larger amounts for county and township roads. The scarcity of gravel in Southern Ontario is becoming a serious question. In order to conserve gravel and save the surfaces of existing roads approximately 200 miles of main gravel roads were surfaced last year with light bituminous pavement.

I think that is a service which the Members from the ridings will be satisfied with. It has been done with the great knowledge and experience of the engineers of the Department in such work. This work has proven a very great success. Plans are being prepared to the end that very great extensions of highways may be built without excessive expenditures.

This year has been exceptionally difficult because of heavy snow fall and high winds. The facilities of our snow-fighting equipment have been taxed to the limit. Until this winter it has been almost impossible to obtain permission for the purchase of new equipment. Owing to the fact, however, that our existing equipment has been conserved to the limit and, with some priorities, the Department has been able to do an excellent job.

The Members will be interested in Agricultural Loans.

AGRICULTURAL LOANS

The liquidation of loans granted under the agricultural development and now administered by the Commissioner of Agricultural Loans is proceeding on a satisfactory basis.

Many mortgagors have been paying off their loans before maturity.

The number of current loans as of December 31st, 1943 numbered 13,553, that was a year ago, representing a total indebtedness, including principal, interest and sundries of $30,663,679.98. As of December 31, 1944 current loans numbered 12,586, with a total indebtedness amounting to $27,117,502.76. Throughout the year ending December 31, 1944 a total of 967 loans have been paid off with total repayments on all loans amounting to $3,546,177.22.

As of December 31, 1943 the number of properties re-possessed and held by the Board numbered 83, representing $213,349.27. This number has been reduced and as of December 31, 1944 the number was only 46, representing $119,709.79, indicating a reduction of 37 properties amounting to over $93,000.

It would interest the House to know that a year ago 42 applications had been heard under the provisions of the Farm Loans Adjustment Act. The total number of applications since the inception of the Act to December 31, 1944 numbered 321, and the reductions granted by the courts for principal, interest and sundries amounted to $181,685.46 as of that date.

In cases where farmers are laboring under an impossible burden of debt they are encouraged to avail themselves of the provisions of this Act in order that such loans may be re-arranged on a staisfactory basis.

ORDINARY EXPENDITURE

Now, with the permission of the House, I desire to table the statement of the Gross and Net Ordinary Expenditure for the fiscal year April 1st, 1944, to March

31st, 1945, consisting of ten months' actual payments and two months' forecast, the total Net Expenditure being $115,909,400.00.

Interim Statement of Ordinary Expenditure
Fiscal Year April 1, 1944 - March 31, 1945
10 months Actual - 2 months Forecast - 12 months

Department	Gross Ordinary Expenditure $	Application of Revenue to Expenditure $	Net Ordinary Expenditure $
Agriculture	5,965,800		5,965,800
Attorney General	3,347,000	197,600	3,149,400
Education	15,743,500		15,743,500
Game & Fisheries	656,400		656,400
Health	11,612,600	17,200	11,595,400
Highways	16,038,800		16,038,800
Insurance	60,100		60,100
Labour	434,600	4,900	429,700
Lands and Forests	3,188,000		3,188,000
Legislation	271,800		271,800
Lieutenant-Governor	10,200		10,200
Mines	482,000	5,000	477,000
Municipal Affairs	6,435,700		6,435,700
Planning & Development	91,300		91,300
Prime Minister	129,000		129,000
Provincial Auditor	121,000		121,000
Provincial Secretary	2,486,200	701,600	1,784,600
Provincial Treasurer	1,583,000	310,400	1,272,600
Public Welfare	12,774,200		12,774,200
Public Works	929,400	3,000	926,400
Miscellaneous	5,900		5,900
	82,366,500	1,239,700	81,126,800
Public Debt-Interest, &c	26,281,500	6,693,800	19,587,700
Foreign Exchange	1,953,400	878,000	1,075,400
Sinking Fund Instalments & Railway Aid Certificates	5,311,500		5,311,500
	33,546,400	7,571,800	25,974,600
Advance payment of an amount equal to approximately thirty-four per cent of the estimated 1945 General Legislative School Grants	8,808,000		8,808,000
Total	124,720,900	8,811,500	115,909,400

ORDINARY REVENUE

With the permission of the House, I table the statement of the Gross and Net Ordinary Revenue for the fiscal year April 1st, 1944, to March 31st, 1945, consisting of ten months' actual receipts and two months' estimated receipts, the total Net Revenue amounting to $116,023,800.00

Interim Statement of Ordinary Revenue
Fiscal Year April 1, 1944 - March 31, 1945
10 months Actual - 2 months Forecast - 12 months

Department	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
	$	$	$
Agriculture	361,900		361,900
Attorney General	971,700	197,600	774,100
Education	103,000		103,000
Game & Fisheries	1,150,400		1,150,400
Health	1,777,000	17,200	1,759,800
Highways:			
Main Office & Branches	30,000		30,000
Gasoline Tax Branch	26,608,300		26,608,300
Miscellaneous Permits Branch	97,200		97,200
Motor Vehicles Branch	9,100,000		9,100,000
	35,835,500		35,835,500
Insurance	218,300		218,300
Labour	98,700	4,900	93,800
Lands and Forests	5,162,200		5,162,200
Legislation	10,600		10,600
Mines	2,570,900	5,000	2,565,900
Municipal Affairs	26,700		26,700
Provincial Secretary	1,688,300	701,600	986,700
Provincial Treasurer:			
Main Office - Subsidy	3,155,000		3,155,000
Interest	71,200		71,200
Misc.	21,800		21,800
Liquor Control Board	18,712,600		18,712,600
Controller of Revenue			
Succession Duty	12,007,300		12,007,300
Corporations Tax Subvention	21,612,600		21,612,600
Income Tax Subvention	6,712,600		6,712,600
Corporations Tax	216,600		216,600
Income Tax	237,100		237,100
Race Tracks	2,234,500		2,234,500
Security Transfer Tax	593,400		593,400
Land Transfer Tax	642,600		642,600
Law Stamps	448,400		448,400
Motion Picture Censorship & Theatre Inspection Branch	191,000		191,000
King's Printer - Ontario Gazette	15,100		15,100
Province of Ontario Savings Office	310,400	310,400	
	67,182,200	310,400	66,871,800
Public Welfare	700		700
Public Works	105,400	3,000	102,400
	117,263,500	1,239,700	116,023,800
Public Debt - Interest,&c	6,693,800	6,693,800	
Foreign Exchange	878,000	878,000	
Total	124,835,300	8,811,500	116,023,800

Department

Agriculture
Attorney General
Education
Game & Fisheries
Health

Highways
Main Office
Canal de Fax
Miscellaneous

Mount Ash

Insurance
Labour
Lands and For
Legislative
Mines
Municipal Affairs
Provincial Secretary

Provincial Treasurer
Main Office Subsidy
Interest
Other
Liquor Control Board
Controller of Revenue
Necessary Duty
Corporation
Income Tax Administration
Corporation Tax
Income Tax
Race Tax
Security Transfer Tax
Land Transfer Tax
Law Stamps
Motion Picture Censorship
Theatre Inspection Branch
Kingsley Publicity Bureau
Gazette
Provincial Government Savings Office

Public Welfare
Public Works

Public Debt - Consolidated Fund
Term Investment

Total

S U M M A R Y

With the permission of the House, I table a Summary of the statements of Ordinary Expenditures and Revenues which, by reason of a careful administration of our revenues, shows that, after providing for Sinking Fund requirements, I am able to report an Interim Surplus of $8,922,400. This magnificent surplus makes it possible to give to our taxpayers from this year's revenues a large amount in direct municipal tax reduction. I propose to submit to the House Supplementary Estimates authorizing the advance payment to the School Boards of Ontario of an amount equal to approximately thirty-four per cent. of the 1945 general legislative grants. This sum, which amounts to $8,808,000 will be paid to the School Boards immediately the Supplementary Estimates are approved. This disbursement from the surplus for the year will leave an undistributed balance after the advance payment to the School Boards of $114,400.

I am sure that the House will readily authorize the distribution of the surplus to the School Boards. By the payment of the sum of $8,808,000 in advance we set a precedent and by this we hope to give an added benefit to the municipalities in saving them from the difficulties and expense of extra financing involving the payment of large sums of interest in anticipation of taxes which they are to receive in the Autumn. Every Municipality in Ontario will save large amounts in interest alone.

The Summary which I have just referred to I now file.

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SUMMARY

Ordinary Revenue and Ordinary Expenditure
Fiscal Year April 1, 1944 - March 31, 1945
10 months Actual - 2 months Forecast - 12 months

Net Ordinary Revenue		$ 116,023,800.00
Less:	Net Ordinary Expenditure (before providing for Sinking Funds, Maturing Railway Aid Certificates and Advance Payment of School Grants)	101,789,900.00
Surplus	(before providing for Sinking Funds Maturing Railway Aid Certificates and Advance Payment of School Grants)	$ 14,233,900.00
Less:	Provision for Sinking Funds and Maturing Railway Aid Certificates	5,311,500.00
Surplus	(before providing for Advance Payment of School Grants)	$ 8,922,400.00
Less:	Advance payment of an amount equal to approximately thirty-four per cent of the estimated 1945 General Legislative School Grants	8,808,000.00
Balance of Surplus after providing for Advance Payment of an amount equal to approximately thirty-four per cent of the estimated 1945 General Legislative School Grants		$ 114,400.00

CAPITAL RECEIPTS

With permission of the House, I desire to table an interim statement of the Gross and Net Capital Receipts for the fiscal year April 1st, 1944, to March 31st, 1945, being ten months' actual and two months' forecast. The total capital receipts are $34,869,800. gross.

Net Ordinary Rev.

Less: Net Ord.
Provid.
Railw.
Irrigat.

Surplus (before
Maturies
Advance

Less: Pension for
Maturing Public

Surplus (before provid.
of Sinking Funds)

Less: Advance payment
approximately
the estimated
Sinking Fund

Balance of Surplus after providing for Sinking
Payment of an amount equal
thirty-four per cent of
General Legislative

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Interim Statement of Capital Receipt
Fiscal Year April 1, 1944 - March 31, 1945
10 months Actual - 2 months Forecast - 12 months

Department	Gross Capital Receipts $	Application of Receipts to Payments $	Net Capital Receipts $
Agriculture	4,600.00		4,600.00
Health	26,000.00		26,000.00
Highways	36,400.00		36,400.00
Labour	343,000.00		343,000.00
Lands and Forests	150.000.00		150,000.00
Mines	45,000.00		45,000.00
Municipal Affairs	95,400.00		95,400.00
Prime Minister	1,425,000.00		1,425,000.00
Provincial Treasurer	19,976,800.00		19,976,800.00
Public Welfare	12,766,000.00	12,766,000.	
Public Works	1,600.00		1,600.00
	34,869,800.00	12,766,000.	22,103,800.00

And, Mr. Speaker, with the permission of the House, I desire to table a statement of Gross and Net Capital Payments for the fiscal year April 1st, 1944 to March 31st, 1945, being ten months' actual and two months' forecast, the total payments being $20,098,600. gross

[illegible]

Interim Statement of Expenditure Recovery
Fiscal Year April 1, 1944 - [illegible] 31, [illegible]
10 months Actual - [illegible] months Estimate - [illegible]

Department	Gross Expenditure	Expenditure Recoveries	Net Expenditure
Agriculture	[illegible]		[illegible]
Health	[illegible]		[illegible]
Highways	[illegible]		[illegible]
Labour	[illegible]		[illegible]
Lands and Forests	[illegible]		[illegible]
Mines	[illegible]		[illegible]
Municipal Affairs	[illegible]		[illegible]
Prime Minister	[illegible]		[illegible]
Provincial Treasurer	[illegible]		[illegible]
Public Welfare	[illegible]		[illegible]
Public Works	[illegible]		[illegible]
	[illegible]	[illegible]	[illegible]

[illegible]

[illegible] desire to table a [illegible] for the fiscal year [illegible] ten months' actual [illegible] months being $[illegible] [illegible]

INTERIM STATEMENT OF CAPITAL PAYMENTS
Fiscal Year April 1, 1944 - March 31, 1945
10 months Actual - 2 months Forecast - 12 months

Department	Gross Capital Payments $	Application of Receipts to Payments $	Net Capital Payments $
Agriculture	249,000.00		249,000.00
Highways	3,910,400.00		3,910,400.00
Prime Minister	925,000.00		925,000.00
Provincial Treasurer -	1,892,400.00		1,892,400.00
Public Welfare	12,766,000.00	12,766,000.00	
Public Works	355,800.00		355,800.00
	20,098,600.00	12,766,000.00	7,332,600.00

With the permission of the House, I now table statements showing the Gross Debt, the Indirect Debt and the Net Debt of the Province.

The House will be glad to know that the Gross Debt will show a decrease for the year ending March 31st, 1945 of $18,420,350.72 while the Net Debt from which we have suffered so much will show an estimated decrease of $1,080,878.29.

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PROVINCE OF ONTARIO

DETAIL SUMMARY ACCOUNTING FOR ESTIMATED DECREASE IN GROSS DEBT

FOR THE FISCAL YEAR TO END ON MARCH 31, 1945.

Gross Debt as at March 31, 1944	$ 666,527,963.39
Estimated Gross Debt as at March 31,1945	648,107,612.67
Estimated Decrease for the fiscal year to end on March 31, 1945	$ 18,420,350.72

Gross Debt Decreased by:-

Surplus -		
Surplus on Ordinary Account - - -	$ 114,400.00	
Retirement of Railway Aid Certificates - - - - - - - - - - -	19,476.29	
Sinking Fund Provision	5,292,000.00	$5,425,876.29
Discount on Debentures,etc., written off - - -		994,700.00
Earnings on Sinking Fund Investments- - - - - -		16,000.00
Loan Repayments -		
Hydro-Electric Power Commission of Ontario - - - - - - - - - - - - -	$ 9,675,200.00	
Agricultural Development Board.	3,409,100.00	
Loans to Municipalities, etc.(Net)	197,700.00	13,282,000.00
Decrease in Cash in Banks- - - - - - - - - - - - -		4,003,172.43
Decrease in Income Liabilities - - - - - - - - - -		70,000.00
Increase in Reserves (Net) - - - - - - - - - -		2,700.00
		23,794,450.72

Gross Debt Increased by:-

Capital Disbursements -	
Highways, Public Buildings, Public Works etc.	$ 5,266,200.00
Less Capital Receipts - - - - - - - - - - - - -	233,000.00
	$ 5,033,200.00
Payment re Guaranteed Debentures (Net) - - -	91,400.00
Discount on Debentures, etc., issued during year.	30,000.00
Co-operative Marketing Loans (Net Increase) - -	219,500.00
	5,374,100.00

Estimated Decrease for the year to end on March 31, 1945. - - - - - - - - - - - - - - $ 18,420,350.72

DETAIL SUMMARY

FOR THE

Gross Debt as at [illegible]
Estimated Gross [illegible]

Estimated Decrease [illegible]
to end on March [illegible]

Gross Debt Decreases

Surplus -
Surplus on Ord[illegible]
Retirement of [illegible]
Certificates -
Sinking Fund [illegible]
Discount on Debe[illegible]
Earnings on [illegible]
Loan Repayments -
Hydro-Electric [illegible]
Cutaric -
Agricultural [illegible]
Loans to Mun[illegible]
Decrease in Cu[illegible]
Decrease in In[illegible]
Increase in Rese[illegible]

Gross Debt Increase

Capital Disbursement[illegible]
Highways, Public [illegible]
Less Capital Rec[illegible]

Payment to Sinking [illegible]
Discount on Debent[illegible]
Co-operative Mar[illegible]

Estimated Decrease [illegible]
March 31, 1945 [illegible]

PROVINCE OF ONTARIO

Contingent Liabilities, Bonds, etc., Guaranteed by the Province
Estimated as at March 31, 1945

Total		
as per Public Accounts, March 31, 1944		$ 123,455,838.43
Add		
New Guarantees or Increases for the fiscal year to end on March 31, 1945 -		
Park Commissions	$ 3,000,000.00	
Power Commission	17,500,000.00	20,500,000.00
		$ 143,955,838.43
Less		
Principal Maturities redeemed or to be redeemed during the fiscal year to end on March 31, 1945 -		
Co-operative Associations	$ 3,500.00	
Municipalities	26,622.34	
Park Commissions	3,126,600.00	
Power Commission	13,775,000.00	
Railways	136,000.00	
Schools	163,769.01	
Universities	113,816.50	17,345,307.85
		$ 126,610,530.58
Less		
Sinking Fund Deposits for the fiscal year to end on March 31, 1945		23,400.00
Estimated Contingent Liability of the Province as at March 31. 1945		$ 126,587,130.58

S U M M A R Y

Estimated Contingent Liability of the Province as at March 31, 1945..	$ 126,587,130.58
Contingent Liability of the Province as at March 31, 1944.....	123,455,838.43
Estimated Increase	$ 3,131,292.15

PROVINCE OF ONTARIO

ESTIMATED DECREASE IN THE NET DEBT

AS AT MARCH 31, 1945

As at March 31, 1944

Gross Debt	$ 666,527,963.39
Less Revenue Producing and Realizable Assets ..	184,034,399.51
Net Debt	$ 482,493,563.88

As at March 31, 1945

Estimated Gross Debt ....$	648,107,612.67
Less Estimated Revenue Producing and Realizable Assets ..... $	166,694,927.08
Estimated Net Debt ..... $	481,412,685.59

Estimated Decrease in Net Debt ..... $	1,080,878.29

WAYS AND MEANS 1945-1946.

The Problems inherent in the preparation of a provincial budget are, even in the most favourable of times, such as to tax the ingenuity and resourcefulness and discretion of those whose responsibility it is to plan the financial programme of a province as large and important as is the Province of Ontario. Much more difficult is it in war time, especially in view of the restricted economy in which we function and the strict limitations arising from the conditions imposed by the Dominion-Provincial tax agreement.

I realize that the Members of this House are fully aware of conditions that affect the times in which we live and I have every confidence that I may count upon the wholesome goodwill and co-operation of all, in my endeavour to present a sound and workable financial programme for the fiscal year which begins April 1st, and part of which programme involves the meeting of the cost of education which for the war years, say from 1939 to 1944, represented the expenditure of sums ranging from twelve to fifteen million dollars annually. Provision for meeting the cost of education for the year April 1st, 1945 to March 31st, 1946 is being made in this budget, requiring the expenditure of $25,383,168.43. This large sum, I must emphasize, is in addition to an advance payment for which I propose to ask your sanction, and which will be paid to all school authorities immediately, so that this advance payment is in addition to the $25,383,168.43 that I have already mentioned. Moreover, this advance payment of $8,808,000 will be paid by this Government immediately it is authorized, and will be received by public and

separate school authorities of this Province, each and every one of them, not later than the 31st day of this month of March, 1945.

I have already referred quite extensively to the matter of increased taxation. The Government has given full consideration to this problem and has decided that in view of the coming Dominion-Provincial conference that it is undesirable to add to a tax structure which we belive is faulty, and therefore it has been decided that no new taxation of any kind will be imposed. I am sure that the House will rejoice that not only will there be no increase in taxation but in fact great relief will be given to the real estate owners in Ontario by reason of a most drastic reduction in municipal taxation. The Government has also been conscious of its pledge that, in order to assist the owning and improvement of homes and farm lands which are the very foundation of our society, at least fifty per cent. of the school taxes charged against real estate should be assumed by the Province. It also remembers the pledge that was given that in every field of employment individual initiative would be encouraged and hard work rewarded by reducing taxes. The Hon. leader of the Opposition referred to this the other day.

MR. M. F. HEPBURN (Elgin): Mr. Speaker, may I ask the Hon. Minister will those new educational grants be borne by this Province?

MR. FROST: Yes, the municipalities will receive between twenty-five and twenty-seven million dollars.

We are confident that the people of Ontario will appreciate that the Government, after eighteen months

in office, has been able to give effect to those pledges.

It is with pleasure that I am now enabled to place on the records the Budget Forecast of Ordinary Revenue, Ordinary Expenditure, Capital Receipts and Capital Payments for the fiscal year April 1st, 1945, to March 31st, 1946 and to forecast a balanced Budget.

Budget Forecast of Ordinary Revenue
Fiscal Year April 1, 1945 - March 31, 1946

Department	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
	$	$	$
Agriculture	157,056.00		157,056.00
Attorney General	977,250.00	199,900.00	777,350.00
Education	55,000.00		55,000.00
Game and Fisheries	1,031,000.00		1,031,000.00
Health	1,659,850.00	15,200.00	1,644,650.00
Highways:			
Main Office & Branches	10,000.00		10,000.00
Gasoline Tax Branch	26,608,290.59		26,608,290.59
Misc.Permits Branch	50,000.00		50,000.00
Motor Vehicles Branch	9,000,000.00		9,000,000.00
	35,668,290.59		35,668,290.59
Insurance	202,000.00	~~3,000.00~~	202,000.00
Labour	106,800.00	6,000.00	100,800.00
Lands and Forests	5,825,000.00		5,825,000.00
Legislation	9,700.00		9,700.00
Mines	1,364,745.00	6,000.00	1,358,745.00
Municipal Affairs	16,600.00		16,600.00
Provincial Secretary	1,265,500.00	580,000.00	685,500.00
Provincial Treasurer:			
Main Office - Subsidy	3,155,007.48		3,155,007.48
Interest	71,229.86		71,229.86
Liquor Control Board	17,912,600.00		17,912,600.00
Controller of Revenue Br.			
Succession Duty	11,800,000.00		11,800,000.00
Corporation Tax Subvention	20,960,450.85		20,960,450.85
Income Tax Subvention	6,851,037.95		6,851,037.95
Corporations Tax	1,000,000.00		1,000,000.00
Income Tax	250,000.00		250,000.00
Race Tracks	2,250,000.00		2,250,000.00
Security Transfer Tax	750,000.00		750,000.00
Land Transfer Tax	500,000.00		500,000.00
Law Stamps	400,000.00		400,000.00
Motion Picture Censorship & Theatre Inspection Branch	177,300.00		177,300.00
King's Printer-Ontario Gazette	14,000.00		14,000.00
Province of Ontario Savings Office	314,200.00	314,200.00	
	66,405,826.14	314,200.00	66,091,626.14
Public Works	48,000.00	3,000.00	45,000.00
Miscellaneous	100,000.00	100,000.00	
	114,892,617.73	1,224,300.00	113,668,317.73
Public Debt - Interest,&c	6,742,500.00	6,742,500.00	
Foreign Exchange	578,500.00	578,500.00	
	122,213,617.73	8,545,300.00	113,668,317.73

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Budget Forecast of Ordinary Expenditure
Fiscal Year April 1, 1945 - March 31, 1946

Department	Gross Ordinary Expenditure $	Application of Revenue to Expenditure $	Net Ordinary Expenditure $
Agriculture	6,116,182.75		6,116,182.75
Attorney General	3,598,580.00	199,900.00	3,398,680.00
Education	25,383,168.43		25,383,168.43
Game & Fisheries	706,400.00		706,400.00
Health	12,344,190.00	15,200.00	12,328,990.00
Highways	14,050,000.00		14,050,000.00
Insurance	68,400.00		68,400.00
Labour	538,581.55	6,000.00	532,581.55
Lands and Forests	3,800,000.00		3,800,000.00
Legislation	273,575.00		273,575.00
Lieutenant Governor	10,200.00		10,200.00
Mines	516,000.00	6,000.00	510,000.00
Municipal Affairs	3,316,072.00		3,316,072.00
Planning and Development	100,000.00		100,000.00
Prime Minister	270,995.00		270,995.00
Provincial Auditor	126,000.00		126,000.00
Provincial Secretary	2,449,540.00	580,000.00	1,869,540.00
Provincial Treasurer	1,649,575.00	314,200.00	1,335,375.00
Public Welfare	12,660,630.00		12,660,630.00
Public Works	960,000.00	3,000.00	957,000.00
Miscellaneous	100,000.00	100,000.00	
	89,038,089.73	1,224,300.00	87,813,789.73
Public Debt-Interest, etc.	26,087,900.00	6,742,500.00	19,345,400.00
Foreign Exchange	1,648,000.00	578,500.00	1,069,500.00
Sinking Fund Instalments & Railway Aid Certificates	5,370,300.00		5,370,300.00
	33,106,200.00	7,321,000.00	25,785,200.00
Total	122,144,289.73	8,545,300.00	113,598,989.73

Budget Forecast of Capital Receipts
Fiscal Year April 1, 1945 - March 31, 1946

Department	Gross Capital Receipts $	Application of Receipts to Payments $	Net Capital Receipts $
Agriculture	2,500.00		2,500.00
Highways	5,000.00		5,000.00
Labour	840,000.00		840,000.00
Lands and Forests	175,000.00		175,000.00
Mines	40,000.00		40,000.00
Prime Minister	1,454,000.00		1,454,000.00
Provincial Treasurer	12,022,300.00		12,022,300.00
Public Welfare	13,036,000.00	13,036,000.00	
	27,574,800.00	13,036,000.00	14,538,800.00

Budget Forecast of Capital Payments
Fiscal Year April 1, 1945 - March 31, 1946

Department	Gross Capital Payments $	Application of Receipts to Payments $	Net Capital Payments $
Agriculture	250,000.00		250,000.00
Game and Fisheries	45,000.00		45,000.00
Highways	4,050,000.00		4,050,000.00
Labour	840,000.00		840,000.00
Prime Minister	925,000.00		925,000.00
Provincial Treasurer	3,083,500.00		3,083,500.00
Public Welfare	13,036,000.00	13,036,000.00	
Public Works	431,500.00		431,500.00
	22,661,000.00	13,036,000.00	9,625,000.00

Mr. Speaker, I now table with the permission of the House a summary showing Estimated Ordinary Net Revenue $113,668,317.73, which less Ordinary Expenditures and after making full provision for Sinking Fund requirements and railway aid certificates, results in a surplus forecast for the coming fiscal year of $69,328.

SUMMARY

Budget Forecast
Fiscal Year April 1,1945 - March 31,1946

Net Ordinary Revenue		$ 113,668,317.73
Less: Net Ordinary Expenditure (before providing for Sinking Funds and Maturing Railway Aid Certificates)		108,228,689.73
Surplus (before providing for Sinking Funds and Railway Aid Certificates)		$ 5,439,628.00
Less: Provision for Sinking Funds	$ 5,352,000.00	
Railway Aid Certificates	18,300.00	5,370,300.00
Surplus Forecast		$ 69,328.00

At this time I should like to say that in achieving the results just outlined and which I know will be received with deepest satisfaction by every hon. member of this House that we are not in any way stinting the undertakings of this province either in administrative, social or developmental services.

Department of Agriculture

The estimated expenditures for the current year are $5,965,800. The estimated expenditures for the coming year for this Department are $6,116,182.75, a considerable increase. In order to assist our farmers to maintain the

production of food which is so necessary in our war effort provision is being made to carry on the present subsidies for the coming year. That means that we will pay hog, cheese and sugar beet subsidies, and we are making provision for their payment.

Game and Fisheries

For years it has been contended with great merit that this very important revenue producing Department has not received sufficient to carry on adequately its preventative and conservation services. The Government has recognized that this is an error and that the depletion of our great game and fisheries assets is poor economy indeed. This year an increase of approximately $100,000 is being allotted to the Department to enable it to extend its work . The sum being appropriated represents an increase of approximately $170,000 over the amount expended in the year 1943.

Health and Welfare

More than $600,000 is being appropriated for these Departments in excess of their actual expenditures for the year just closing. The high standard of service of the Department of Health has been maintained in spite of 689 enlistments in the Armed Forces, including 90 doctors and 82 nurses from the Department's staff. Shortage of medical personnel throughout the Province is necessarily rendering the work of this Department more difficult.

In the Department of Welfare, Mothers' Allowances have been increased, and although the number of beneficiaries has been reduced, the allowances have

been increased throughout the year by $273,618. Food allowances for relief recipients have been increased by inaugurating a nutritional measurement and discarding the old Campbell report scale. Nine new Day Nurseries and 15 Day Care centres have been approved of during the year.

These figures, I think, will interest the hon. members of the House. The expenditures for these two Departments in 1943, that is two years ago, excluding relief, amounted to $18,738,004.28, while the expenditures for the year ending March 31, 1946, also excluding relief, total no less than $24,162,440.00.

Labour

The Estimates for the coming year are increased by $93,350, which is the largest increase in the history of the Province. This increase is necessary because of additional staff required for Hours of Work and Vacations with Pay Act and the requirements assuring higher standards of safety, health and welfare for industrial workers. The Department is also extending its work with relation to full time vocational training for registered apprentices. In 1943, two years ago, the expenditures, not including Youth Training, amounted to $306,322.03. The appropriation for the coming year amounts to $538,581.55.

Mines

This Department is also a revenue producing Department for which plans for greatly extended services have been made. Additional appropriations are being made to enable the Department to extend its services despite the shortage of manpower. The expenditures

in 1943 were $320,036.64. The appropriation for the coming year is $516,000.00.

Lands and Forests

This is a matter of much interest to the Province of Ontario. The foundations upon which the betterment of the forestry of Ontario will be laid must be made during the war years. Funds are therefore provided for certain basic things which must be done now. Research work in soils, forest management and land studies will be carried on. Large scale experiment in the use of the powerful insecticide D.D.T. will be carried out in the Nipigon region to combat the bud-worm ravages. Funds are being provided for the new Ranger School and the laboratory at Sault Ste. Marie for the study of forest protection from insect enemies. Expenditures of this Department for the year just closing are $3,180,000. The appropriation is being increased to no less than $3,800,000, an excess of $600,000 on that great department.

The Hydro-Electric Power Commission

During the present fiscal year the Hydro-Electric Power Commission has resumed construction of rural lines on an extensive scale. Four hundred and thirty-three miles of primary lines have been constructed with the addition of about 10,000 rural customers. At the end of 1944 the Commission was serving about 146,000 rural customers, including about 61,700 farmers. The primary distribution line aggregated more than 41,000 miles. For the year 1944-1945, the Commission is planning to extend its service to some 12,000 additional customers, chiefly by the construction of short extensions to existing lines. The Province

plans to pay in grants in aid of such work covering one-half of the capital cost the sum of $1,000,000. In its postwar plans the Commission is contemplating the early extension of the blessings of Hydro to the great majority of our rural people, to not less than eighty per cent of them.

Municipal Affairs

I am glad to tell the House that provisions have been made in the Estimates of this Department for the payment of the one mill subsidy to every municipality in Ontario. This is in addition to the educational grants which have already been outlined. This involves an expenditure of $5,075,000.00. Furthermore the Department is making provision this year to pay a subsidy to certain mining municipalities -- I know that the hon. member for Cochrane and others will be interested in this -- which in the opinion of the Minister have suffered a loss of revenue by reason of increased Dominion taxation of mines.

Education

As has been stated, the Government feels that the lot of our teachers should be bettered. Last year the Province raised its contribution to the Teachers' and Inspectors' Superannuation Fund by paying dollar for dollar with the teachers. The contribution by each of the teachers and the Government is 3½ per cent. The Government now proposes that the contribution of each shall be 4 per cent. This, however, will enable the following benefits to be extended to our teachers:

1. The minimum pension may be increased from $365 to $500.

2. The years of teaching required for full pension shall be reduced from forty to thirty-six, which will be of great assistance to those boys who have lost a lot of time overseas.

3. The maximum pension may be increased from $1250 to $1500.

4. Pensions may be permitted -- and this is of vital importance to the teaching profession -- up to 60 per cent of average salary instead of 50 per cent to which it was reduced a few years ago.

5. Provision may be made for a portion of the pension of a deceased teacher to his widow.

I shall now summarize some of the salient features of this Budget:

1. For the fiscal year just ending we have achieved a surplus of $8,922,400, which permits the immediate payment in advance to the School Boards of Ontario of an amount of $8,808,000.00, leaving a net surplus of $114,400.00.

2. We will decrease the Gross Debt of the Province for the year just ended by $18,420,350.72.

3. We will decrease the Net Debt of the Province for the year just ending by $1,080,878.29.

4. We adhere to a strictly pay-as-you-go policy and are budgeting for a moderate wartime surplus next year.

5. We have fully implemented the pledge concerning 50 per cent of the cost of education. With respect to No. 5 I would suggest that my good friend from Brant (Mr. Nixon) move his seat over here because I remember what he said last year. In No. 5 we have fully implemented the pledge respecting the cost of education.

MR. NIXON: I will believe it when I see it on my tax bill.

MR. FROST: It is very difficult to convince some people, but it will help to convince them when they see the Supplementary Estimates. Then follows No. 6:

6. We have provided for the extension of administrative, developmental and social services.

We have done that pretty adequately, as hon. members will see from the figures I have already given. We have not

stinted anybody. Then No. 7:

> 7. Provision is made for the payment of one mill on the general assessment to every municipality in Ontario.

That is in addition to the grant.

> 8. Provision is made to subsidize the Northern mining municipalities.
>
> 9. The Teachers' Superannuation Fund has been placed on a sound financial basis and adequate retiring allowances assured.
>
> 10. We are budgeting to reduce the Gross Debt of the Province and also to reduce the Net Debt in the coming fiscal year.
>
> 11. Last year on the 16th of March I stated to this House: "I am sure that the taxpayers of Ontario will rejoice to hear of reduced debt, reduced interest, enlarged benefits, relief from real estate taxation and a balanced budget."

I am proud to stand here and say that this has been translated from a promise to a performance.

> 12. We have taken constructive action on postwar planning --

and this is a highlight of this budget because upon it depends the future not only of our province but of the whole of Canada:

> -- and, by conserving our credit, imposing no new taxes, adding no new debt and balancing the Budget up to March 31st, 1946, we have left the way clear for a dominion-provincial conference.

Let us pause and contemplate our position. We are a Confederation. All of the nine provinces have their own traditions, their own peculiar problems and their own provincial aspirations. These are regarded jealously by them. In at least six of the provinces their characteristics far antedate the Confederation of 1867. Ontario had her beginnings nearly a century and three-quarters ago. Settlement began in the 1780's with the

arrival of those from the American States who preferred above all else to live under the British flag. They were joined with the migration of the first half of the last century. Upper Canada, at the time of Confederation, had an accumulation of wealth and traditions going back over three-quarters of a century and covering many troubled days. During these years through the striving of her people she had prospered and developed. In 1867, the date which is over the Speaker's chair, was one of the great foundations of Confederation. Her part in the Dominion of Canada has been great. Her sons and daughters went to people the Western plains. Much of the public life of the West had its beginnings on the farms of old Ontario. Her wealth throughout the years has contributed mightily to the common cause. Her taxpayers contribute about one-half of all Dominion taxation in peace and in war.

While Ontario reserves the rights and privileges, including administrative, human and developmental powers assured to her at Confederation, while she expects the economic freedom to enable her to function within her sphere, she accepts fully her duty to Canada. She approaches the Conference in the spirit of our fathers which broods over this ancient Assembly, in the spirit of Macdonald and Brown, who with Cartier, Tilley and Tupper made possible the Dominion of Canada. So will Ontario strive for a settlement that is as reasonable as common sense itself. True she will be to her history and to her motto -- "As loyal she began so shall she ever remain."

MR. ROBINSON (Waterloo South): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and the debate adjourned.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I have a message from the Honourable the Lieutenant-Governor signed by his own hand, transmitting Supplementary Estimates for the financial year ending March 31, 1945.

In moving the adjournment of the House, may I say that on Monday we shall take up bills. There will be no evening session on Monday but we shall start the evening sittings on Tuesday.

MR. HEPBURN (Elgin): Are we going to proceed with the Throne debate or the budget on Tuesday?

MR. DREW: With the Throne debate.

MR. JOLLIFFE: If the Throne debate is to be continued on Tuesday, when will the budget debate be resumed?

MR. DREW: We will first consider the Supplementary Estimates. That of course is not the budget debate. In any event we shall proceed with the Throne debate on Tuesday, and I shall be very happy to confer with the leaders of the different groups as to resuming the budget debate.

Motion agreed to and the House adjourned at 4.25 p.m.

THE LEGISLATIVE ASSEMBLY

EIGHTEENTH DAY

Toronto, Ontario,
Monday, March 12, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting peitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, I move, seconded by the hon. Mr. Thompson, that leave be given to introduce a bill intituled "An Act to amend the Nurses' Registration Act," and that the same be now read the first time.

Motion agreed to and bill read the first time.

MR. WILLIAM DENNISON (St. David): Will the hon. Minister explain?

MR. VIVIAN: Mr. Speaker, there is a new principle in the bill which gives recognition to a needed classification for practical nurses in the province, whereby, for taking a period of training, they may come under the title of "Registered Assistant Nurse". This will not in any way interfere with those who wish to do practical nursing, but

it does establish a definite category for those who have taken training.

MR. FRED W. WARREN (Hamilton-Wentworth): Mr. Speaker, I move, seconded by Mr. Riggs, that leave be given to introduce a bill intituled "An Act to provide relief for persons who have suffered substantial impairment of income owing to illness or unemployment or any other cause beyond their control, in respect of their homes," and that the same be now read for the first time.

Motion agreed to and bill read the first time.

HON. R. P. VIVIAN (Minister of Health): I move, seconded by the hon. Mr. Dunbar, that leave be given to introduce a bill intituled "An Act to amend the Venereal Diseases' Prevention Act," and that the same be now read a first time.

Motion agreed to and bill read the first time.

MR. CHARLES A. STRANGE (Brantford): Would the hon. Minister tell us the purpose?

MR. VIVIAN: I would be delighted. Mr. Speaker, the Venereal Disease Control Branch of the Department of Health, established in 1939, has made very notable advance during the past year. The purpose of the amendments in this proposed bill are to increase the efficiency with which we are able to deal with venereal disease.

One outstanding new principle in the proposal is that it will be required that the medical practitioner seeing a patient for the first time shall take such tests as are necessary to lower the incidence of congenital syphilis in this province.

HON. CHARLES DALEY (Minister of Labour): I move, seconded by hon. Mr. Thompson, that leave be given to introduce

it does establish a [illegible]

taken treating

MR. [illegible]

I move, seconded by [illegible]

duce a bill [illegible]

who have suffered [illegible]

illness or [illegible]

trol, in respect [illegible]

read for the first [illegible]

Motion agreed [illegible]

MR. [illegible]

seconded by [illegible]

introduce a bill [illegible]

Diseases' Prevention [illegible]

first time.

Motion agreed [illegible]

MR. CHARLES [illegible]

Minister tell us [illegible]

MR. [illegible]

Venereal Disease [illegible]

established in [illegible]

the past year, [illegible]

ed bill are to increase [illegible]

able to deal with [illegible]

One outstanding [illegible]

it will be required [illegible]

patient for [illegible]

necessary to [illegible]

province.

MOVE. [illegible]

seconded by [illegible]

a bill intituled "An Act to amend the hours of work and Vacations With Pay Act, 1944," and that the same be read a first time.

Motion agreed to and bill read the first time.

MR. ARTHUR WILLIAMS (Ontario): Would the hon. Minister give a word of explanation?

MR. DALEY: This is to fix the maximum -- to authorize the Labour and Industry Board to fix the maximum number of hours.

Briefly, it is to control the split shift.

HON. R. P. VIVIAN (Minister of Health): I move, seconded by Mr. Dunbar, that leave be given to introduce a bill intituled "An Act to amend the Medical Act," and that the same be now read for the first time.

Motion agreed to and bill read the first time.

MR. MITCHELL F. HEPBURN (Elgin): Would the hon. Minister explain?

MR. VIVIAN: I do not believe the House would desire I give a long explanation of an Act containing some nineteen minor amendments at this time. I prefer to deal with that on second reading, but I wish to assure the House no new principles are invoked. Like most Acts that need tidying, the Medical Act does at this time, and this Act is proposed to do that.

MR. FRED W. WARREN (Hamilton Wentworth): I move, seconded by Mr. Riggs, that leave be given to introduce a bill intituled "An Act to provide financial protection for persons who have suffered substantial impairment of income owing to illness, unemployment or any other cause beyond their control," and that the same be read a first time.

Motion agreed to and bill read the first time.

MR. VIVIAN: Would the hon. member explain?

MR. WARREN: There is a similarity between the two. The first one is the mortgagee moratorium, similar to the one granted to soldiers last year, and the other one is to enable anyone who is not able to meet an account in regard to any assets which they may have.

HON. CHARLES DALEY (Minister of Labour): I move, seconded by Mr. Thompson, that leave be given to introduce a bill intituled "An Act to amend the Minimum Wage Act," and that same be read now a first time.

Motion agreed to and bill read the first time.

MR. ARTHUR WILLIAMS (Ontario): I would like a word of explanation, particularly in view of the fact I read in the paper --

MR. SPEAKER: No, no.

MR. DALEY: This, Mr. Speaker, just authorizes the Board to set a minimum wage for part-time workers, establishing a rate.

MR. SPEAKER: I might say to the House three hon. members have requested to rise before the Orders of the Day, and obtained my consent.

HON. GEORGE A. DREW (Prime Minister): I have the privilege, this afternoon, of welcoming to this Legislature visitors to Canada who arrived here only to-day. I feel sure that I am expressing welcome to these visitors, who are sitting under the gallery, on both sides, not only on behalf of this Legislature, but on behalf of all the people of Ontario, when I tell you this is a delegation of representatives of the French Underground Press, some of them the continuing Press of France and representatives of the French Maquis, who fought the Germans when they were occupying

France. We have these people with us, here, to-day. If I may, I would ask those representatives of the French Press and of the Maquis who are with us to stand by their seats, so that the Assembly may see them.

I have been informed that their visit to Toronto is merely a part of an extended visit to Ontario and to other parts of Canada, following a visit which has carried them right across the United States. To every one of these ladies and gentlemen, (and you see amongst them ladies who have taken their full part in the battle for freedom and faced the constant threat of death in so doing,) I know I can say on behalf of every one here and on behalf of the people of Ontario we admire, greatly, what you accomplished under terrible conditions. We welcome you here to-day. We hope that the trip you have will carry with it not only an understanding of our people, but that you will also carry back to France ideas which may be useful to you in rebuilding your great nation. I am sure I speak for every one here, (and perhaps, in this, I might speak with some warrant, having been in France immediately after the liberation,) in saying that you are nearly representative of that great spirit which has arisen again in France, and through which has emerged the great France of the future.

(Page No. 1008 follows.)

MR. E. B. JOLLIFFE (Leader of the Opposition): Mr. Speaker, I am sure that all hon. members of the House will wish to be associated with the Prime Minister (Mr. Drew) and join in the remarks he has just made in extending a cordial welcome to our guests here to-day. As our guests are probably aware, there are many special ties between Canada and their own country, and the people of this Dominion, including the people of this province, have therefore felt a very special interest in the struggle which was waged by so many of the people of France against the nazi invader during the years of their occupation of France.

May I also say that it is a matter of pride to the people of this country that during those years of occupation there were some representatives of Canada and in particular some French-speaking members of our armed forces who entered France and were able to play a part in the struggle then being carried on, I am sure, with the close cooperation of their French friends.

It is therefore of particular interest to us that these guests should be with us to-day and I am sure that we all join with the Prime Minister in extending to them a hearty welcome and our very best wishes.

MR. SPEAKER: May I ask our distinguished guests to come forward? Thank you.

I have now the pleasure of presenting our distinguished guests to the House.

Orders of the Day.

MR. ARTHUR WILLIAMS (Ontario): Mr. Speaker, I want to bring to the attention of the House something that I regard as very important and I hope it is not a forerunner of what we are likely to expect in other parts of this province. I refer to the disastrous news respecting

many of my constituents in the city of Oshawa. Two thousand of them are faced with a lay-off, fourteen hundred of them in the Aircraft Division of General Motors and another six hundred in the Army Truck Division of the same firm. The number of people working in the plant is approximately seven thousand, and here we have nearly one-third of them being laid off. But what is worse, Selective Service in Oshawa has already intimated that it cannot find work for more than four hundred of these workers. What is going to happen to the remaining sixteen hundred I do not know, and apparently nobody else knows. If this kind of thing is going to happen even while the war is on, God help us as to what is going to happen when the war is over. I would ask the Minister of Labour (Mr. Daley) and the Minister of Planning and Development (Mr. Porter) particularly to take under advisement the information I have now given to the House in the hope that their joint efforts might give to these people and their dependents in Oshawa some degree of assurance that they are not going to be left high and dry without a job after having rendered the service they have to this province and to this country.

MR. SPEAKER: Orders of the Day.

MR. GEORGE H. MITCHELL (York North): Mr. Speaker, it may be remembered by hon. members that I had occasion to rise last Monday in this House with respect to a matter of public importance, the matter being the lay-off of a number of employees in a plant on the lake front on only two hours' notice. I did claim at that time that these men were in a classification that entitled them to seven days' notice.

On the following day the hon. Minister of Labour

(Mr. Daley) assured the House that he would investigate the matter, and later he stated that on information received by him these men were to some extent casual workers and therefore he did not assume that they were engaged for any considerable length of time and by virtue of that fact would be entitled, not to seven days' notice, but only to some credit card or slip to be placed in their book for certain purposes.

I have investigated this matter myself and I am now going to be specific and give the names of three employees discharged. I find that Nicholas Horoshok was employed fo five months; Joseph Horan for sixteen months and Michael Zub for approximately two and a half years by this firm. Jack Lawson commenced working with this concern in July, 1944, and worked approximately seven months.

These men were tradesmen and were employed, in the main, on work inside the boats.

In view of these facts I feel that I must again bring the matter to the attention of the Minister with the request that he make further representations not only to the employer but to the Hon. Humphrey Mitchell, Dominion Minister of Labour.

I submit, Mr. Speaker, that there is a very important principle involved here, and I personally do not propose to let this matter drop until these men have received justice in accordance with the Regulations.

MR. SPEAKER: Orders of the Day.

MR. DREW: Mr. Speaker, I wish to table answers to Questions 1, 6, 10, 14, 24, 25, 26 and 27.

I also wish to table a return of correspondence

between this Government and the Dominion Government respecting old age pensions.

In the absence of the Minister of Agriculture (Mr. Kennedy) I wish to table the interim report of the Agricultural Commission of Inquiry. I shall be glad to send copies to the Leader of the Opposition and to other groups in the Legislature.

If I might have the indulgence of the House for a moment, Mr. Speaker, I might explain that this is merely an interim report, being a compilation of the recommendations made from time to time during the sittings of the Commission, and this compilation was handed to the press without either the authority of the Minister or the Commission. In fact, the first we knew of it was when we heard of it in that way. The Commission has certain details to complete and will expand the report and bring it up to date. As will be seen upon examination, it includes recommendations made from time to time, many of which have been acted upon already, and some of which are still under consideration. I shall have copies delivered to the other groups.

MR. SPEAKER: Orders of the Day.

MR. DREW: Mr. Speaker, I move that you do now leave the chair and that the House resolve itself into Committee of the Whole.

Motion agreed to and the House went into committee, Mr. Reynolds in the Chair.

MR. DREW: Order No. 26, which is The Election Act.

CLERK OF THE HOUSE: House in Committee on Bill No. 31, The Election Act, 1945.

MR. BLACKWELL: Mr. Chairman, I will recall to you

and to the Committee that when we were last engaged with this bill in committee we had reached and reserved consideration of section 17, which is headed "Who may vote." It was understood that when this bill was resumed in committee section 17 would remain reserved and that we would proceed to section 18.

Section 17 stands

Sections 18 and 19 agreed to.

On section 20 -- Indians -- when disqualified.

MR. JOLLIFFE: The hon. member for Fort William was anxious to get an opinion from the Attorney General as to the right of wives of Indians to vote. He drew my attention to the position that certain white women who are married to Indians have, according to him, been denied the right to vote in past elections. The point did not come to my attention during the sittings of the committee. I think it would arise under this section, which relates to Indians.

MR. BLACKWELL: I must confess that I now recall the hon. member for Fort William raising that question when the bill was before the House, but I received no further intimation of precisely what information he was seeking. I did not understand in the House the particularity which the Leader of the Opposition has mentioned, and if it is the desire of the Leader of the Opposition that there should be an opinion given before proceeding with the section as to the status of white women who have married Indians and do not get the franchise I suggest that the section be reserved so that point might be considered. I presume that if the information was that white women married to Indians not enjoying the franchise, the hon. member for Fort William

intends to move an amendment. Is that his intention?

MR. JOLLIFFE: I believe that that is his intention. If I may particularize further, the hon. member for Fort William informs me -- I have no personal knowledge of a case of this kind -- that under the present Act there are cases of wives of Indians who served in the last war and brought a wife back with them from England, and while the husband has a vote as a soldier in the last war, for some reason or other the returning officers have held that their wives were not entitled to vote. That seemed to the hon. member for Fort William an unjust discrimination, and I think he did wish to move an amendment unless he could be satisfied that they have the right to vote under the Act as drawn.

MR. BLACKWELL: I appreciate the Leader of the Opposition particularizing further on this matter. As I understand it it would not be the intention of the hon. member for Fort William, who is not here to-day, that a white woman married to an unenfranchised Indian should vote but merely that those married to enfrenchised Indians should vote. If that is so I would ask that the section be reserved so that a deliberate opinion can be prepared on the question.

Section stands.

On section 21 -- Appointment of day for nomination.

MR. JOLLIFFE: I do not want to waste time but I think the attention of the Committee might be drawn to the fact that under this section future elections will always take place on Wednesday. That I think is a new feature of the Act.

Section agreed to.

Sections 22 and 23 agreed to.

On section 24 -- Supply of poll books and forms.

MR. DENNISON: I understood that we decided that a special form would be provided for expenses, the same as is done in the Dominion Act. I do not know whether this point was overlooked in the Committee's report. The point was discussed but I do not know whether the committee made a decision. Perhaps the Attorney General could tell us.

MR. BLACKWELL. I have no recollection of a decision of the committee as to any special form regarding expenses being provided as a schedule to the Act. There was a recommendation as to what should be in a return of expenses but I do not think the discussion was carried to the point of a recommendation of a special form. Perhaps we might wait until we come to that section.

Section agreed to.

Sections 25 to 48 inclusive agreed to.

On section 49 -- When returning officer to make division.

MR. GRUMMETT: I believe it was understood in the select committee that wherever the municipalities had divided the municipalities into polling subdivisions we would not interfere with their boundaries. But I notice that subsection 2 provides:

> "Where the council has divided the municipality into polling subdivisions the returning officer shall not be required to make any change in the boundaries of a polling subdivision."

I do not think that the words "shall not be required" should be in there. It would be better to strike them out so that the section would read:

> "Where the council has divided the municipality into polling subdivisions the returning officer shall not make any change in the boundaries of a polling subdivision."

I move accordingly, seconded by the hon. member for Waterloo South (Mr. Robinson).

MR. BLACKWELL: Perhaps the simplest thing, in dealing with the hon. member's motion would be to say that what he has stated is quite correct, with reference to section 49, that municipal subdivisions, having regard to the lower number that vote in a municipal election as compared with a provincial election, are in many instances larger, much larger than for the purposes of a provincial election. The intention is that municipal subdivisions should be subdivided for provincial purposes, but that subdivision should be within the boundary of the existing municipal division. That is what the hon. member's amendment is directed to, but I doubt if the language he has used in the amendment carries out that intention with the precision that is desirable, and I am going to suggest this to him. The subsection as he proposes to amend it would read:

> "Where the council has divided the municipality into polling subdivisions the returning officer shall not make any change in the boundaries of a polling subdivision."

I would be prepared to accept his amendment if he would move it in these words, to clarify it:

> "Where the council has divided the municipality into polling subdivisions the returning officer shall not make any change in the boundaries of a municipal polling subdivision except by subdivision thereof."

I think that is the exact intent.

MR. GRUMMETT: That I believe is the intent, Mr. Attorney General, but if you will refer back to the wording of the section as drafted, that is not clear because it says "shall not be required".

MR. BLACKWELL: May I read it again, because the fact is he may be required under proper circumstances. Will the hon. member be good enough to follow the wording of the amendment:

> "Where the council has divided the municipality into polling subdivisions the returning officer shall not make any change in the boundaries of a municipal polling subdivision except by subdivision thereof."

Is not that the intention?

MR. GRUMMETT: Yes, that is the intention.

MR. BLACKWELL: If the hon. member is prepared to move that I will accept it.

MR. JOLLIFFE: Just before that is done let me point out that the next subsection has an important bearing on this because it refers to the subdividing process which the Attorney General was discussing a moment ago. It reads:

> "Where the list of persons entitled to vote in any polling subdivision exceeds four hundred names, the returning officer shall divide such polling subdivision into two or more polling subdivisions for the purposes of the election."

I see what the hon. member for Cochrane South and the Attorney General are trying to do, namely, to guard against the returning officer drawing up a new set of boundaries which would overlap the municipal boundaries already established.

MR. BLACKWELL: That is right. I think the

hon. member's amendment with the addition of the words I proposed reconciles the two subsections and makes them work together. One provides for the subdivision, and the next authorizes the subdivision within the original boundaries. I think the two subsections are in perfect harmony. Is the hon. member prepared to move the amendment in that way?

MR GRUMMETT: I am quite prepared to move that but would the Attorney General explain the meaning of the subsection as it stands in the bill?

MR. BLACKWELL: I presume "shall not be required" used in subsection (2), plus subsection (3) makes it plain how the subdivision can be made. There is a permission to the returning officer in subsection (3) to make the subdivision within the original boundaries, but subsection (2) is there for purposes of clarity. There is no requirement on the returning officer to do it.

MR. MURPHY: Is it the intention of the Act to make the subdivision before the enumeration? There are a great many subdivisions in which the number on the municipal lists would number far more than 400, would probably be up to 800. I understand that the enumerator will have four days to make his enumeration, make two or three calls and prepare his lists. Then after his list is prepared it goes to the revising officer. In my own riding we have 65 subdivisions on the municipal list. At the last election there were 130 and it required several days for the enumerator to make return calls to people who were not in on the first call. I think we should instruct the returning officer to make his divisions before the enumeration if there are 400 names on the municipal list.

MR. LEAVENS: How many subdivisions in the hon. member's riding have more than 400 names on the list?

MR. MURPHY: They divided it at 300 in the last election. They were divided into A and B. There were several under 300.

MR. BLACKWELL: In view of the fact that the hon. member for The Beaches has directed his question to me the provision in subsection(3) of section 49 as found there now reads:

> "Where the list of persons entitled to vote in any polling subdivision exceeds four hundred names, the returning officer shall divide such polling subdivision into two or more polling subdivisions --"

The reason for the expression "two or more" is that throughout the province the number of names in a municipal subdivision varies tremendously. The ratio in the city of Toronto might be fairly consistent, but in my own riding there are 100 municipal subdivisions and approximately 45,000 people on the voters' list. For provincial purposes those 100 subdivisions were divided into 176 provincial divisions, and by the time it gets around to voting, some of these provincial divisions bear no relation necessarily to the municipal divisions. Again there they are divided in A's and B's.

The design of this Act is simply this. First there will not be all this rush during four or five days while the enumeration is taking place because the Act contemplates, in a section that we have already dealt with, that there shall be permanent returning officers who will be on the job and will not wait to make their subdivisions until the enumeration is about to take place. As soon as they are appointed they will be on their job and can act, and

where the number of persons entitled to vote in a municipal election exceeds 400 names in a division, there will be a subdivision right within the municipal division. Applying that to my own riding it will work out to approximately 200 provincial divisions. All that work should be done well in advance, and it should be all set and ready by the time the enumeration takes place. That is the broad design.

MR. GRUMMETT: Would it not be better to say that the returning officer shall not make any change in the boundaries of a polling subdivision except as set out in subsection (3)?

MR. BLACKWELL: Perhaps the hon. member would submit his amendment in writing. I think the section should be read to the Committee with the new wording. It is now proposed that it should read as follows:

> "Where the council has divided the municipality into polling subdivisions the returning officer shall not make any change in the boundaries of the polling subdivision except as set out in subsection (3) hereof."

I would suggest that instead of saying "set out" we should say "provided."

MR. GRUMMETT: That is satisfactory, yes.

Amendment agreed to.

MR. BLACKWELL: Before Section 49 is carried I would like to make this observation. It has been brought to my attention that in certain rural areas, even where a subdivision is below 400 names, there might be vast distances to travel and it would probably be desirable to retain the A and B compilation, and if I have permission to do so I would ask that this section be reserved until

that question can be fully examined.

Section stands.

On section 50 -- Polling places in each polling subdivision.

MR. MURPHY: I move that:

"Subsection (6) of section 50 of The Election Act be amended by inserting after the word 'places' in the first line the word 'provided' and by inserting after the word 'subdivision' in the first and second lines the words and figure 'pursuant to subsection 5', so that the said subsection shall now read as follows:

"Division to be according to initial letters of voters' names.

(6) Where there are two or more polling places provided in a subdivision, pursuant to subsection (5), each polling place shall be designated by the initial letters of the surnames of the voters who are to vote in such polling place, in the following manner, that is to say, from A to M inclusive, and from N to Z inclusive, or as may be determined by the returning officer."

We have subdivisions where the enumeration is divided by street numbers. This subsection provides that the returning officer shall have power to make the division by names from A to M and from N to Z, but he can divide it by streets instead of by initials.

MR. DENNISON: What advantage would it be when the other subsection states that they shall vote in the same building? Why go to the bother of dividing it by streets when the other subsection provides that they may be side by side anywhere?

MR. MURPHY: The municipal divisions are very large and take in from four to six streets. The returning officer will likely place a polling place in one part of the sub-

division and another in another. There will be hardly any in the same house under this arrangement.

MR. BLACKWELL: I would suggest to the hon. member for the Beaches that the effect of this amendment is simple. It is to provide that the returning officer will have that alternative under section 50 so that he will not have to set up the polls under section 52 in that particular alphabetical way. I will read section 50(2):

> "A returning officer may in his discretion, grant such additional polling places in any polling subdivision as the extent of the subdivision and the remoteness of any body of its voters from the polling place render necessary."

If the returning officer was required to do it under the conditions of section 56, it would make the granting of that remote poll practically useless. This is to introduce flexibility and not to make subsection (2) bound by what were the arbitrary provisions of subsection (6). Is not that it, Mr. Murphy?

MR. MURPHY: That is right.

MR. BLACKWELL: I am quite satisfied to accept that amendment. It appeals to me as an improvement, and not only an improvement but a necessity.

MR. JOLLIFFE: Probably it is logical to provide this machinery under section 50 for additional polling places. There is, however, some danger that returning officers may become a little confused as between their powers under section 49, to subdivide a polling division and their powers under section 50 to establish new polling places. It might easily be confusing to the general public when they make inquiry as to where they can vote. They can hardly be expected to distinguish between a polling division and a polling place. There may

be no solution but I see considerable confusion arising as between these two sections.

MR. BLACKWELL: I do not think the confusion will be in the public mind because by the time voting takes place all these things have been established and the voters' lists have been issued according to what has transpired.

If I may say so, we have three situations now dealt with by sections 49 and 50. The first one is where there is authority for the general subdivision within the ordinary municipal polling division. That is not a matter that should be left over until election time. The returning officer is bound to attend to it as soon as he takes office. It is a matter inrespect of which he makes adjustments from time to time as the evidence warrants such adjustments, and ordinarily that will be done well in advance of the election.

We still have two other situations. It may be that although the subdivision has not actually taken place, where there are close to 400 names in a division, the mere mechanics of taking the vote where the vote is heavy may warrant A and B compilation, and that is authorized under section 50(6).

Then there is still another situation which will not be handled in that fashion. It has no relation to the mere question of the heaviness of the vote but relates to large, remote rural subdivisions where it is convenient to make a subdivision, not alphabetically, but by area. There again it is in the discretion of the returning officer, and that is not related to section 49, for the mere naming of people to vote.

As to avoiding confusion, that can be avoided by the Bulletin of Instructions which goes out from the Chief Electoral Officer. I am sure that there would be less confusion than in the past, because the returning officers

will be permanent and will get all these things done in good order long ahead of the taking of the enumeration.

Amendment agreed to.

Section as amended agreed to.

MR. BLACKWELL: Now that section 50 has been carried, the whole mechanics of the matter are before the Committee and I think it would be safe for us to return to section 49 and carry it in its present form.

On section 49 -- When returning officer to make division.

MR. CASSELMAN: As hon. members of the House may be called upon by their constituents to interpret the Act,-- I do not mean a legal interpretation -- I would like to know if I am right in thinking that where there are two or more polling places they will be in the same building and divided from A to M and N to Z, one in each part of the room.

MR. BLACKWELL: If it is established under section 50(6) the hon. member is right in that assumption, but on the other hand if it is the granting of more than one polling place under section 50(2), he would not be right in that assumption. Where it is a mere subdivision on account of the way they vote in the area it takes place under subsection (6) of section 50, but in a large and sparsely settled place requiring more polling places, that takes place under subsection (2) of section 50.

MR. JOLLIFFE: My understanding of subsection (6) of section 50 is that the matter is controlled by the concluding words of the subsection "or as may be determined by the returning officer." As I understand these subsections they are made particularly in view of the very

large subdivisions you have in city ridings where it may be desirable, instead of having one poll to have the municipal divisions divided into separate compilations. There are places in the country where that is not feasible. There may be one building in a particular community which lends itself by means of roads and everything else for use as a polling subdivision, and it may be very desirable in that case to have it arranged from A to M and N to Z in a division which has five or six hundred names. I hope that that can be permitted within the meaning of the section.

MR. DUNBAR: I did not quite understand the last section regarding the subdividing of a poll. One hon. member has spoken of voting in the same building, under the same roof. In my riding we have sixteen polls, not subdivisions, all held in one hall in the Glebe. They are all held in one church hall. Would this prevent that being done? The voting takes places in the hall because suitable homes are not available for voting. Is that permissible?

MR. BLACKWELL: I see nothing to stop it.

Section agreed to.

(Page 1025 follows)

MR. C. A STRANGE: (Brantford): Mr. Chairman, is there any reason why we could not go back to Section 17 now?

MR. BLACKWELL: The only reason was indicated that in the Voters' Lists Act and in this Act we would reserve those sections involving large measures of principle, and we would clean up the details of the Act and come back to those. For that reason I would rather continue with that Act in its order.

The reason that Section 49 was returned to was that the reason for which Section 49 was reserved was resolved in Section 50. The others are where matters which are entirely matters of principle are being raised.

MR. STRANGE: I thought that since the members were given so much time as to the new principle, surely they are now able to make up their minds as to whether they will accept such a principle or not. I would like to see this matter disposed of, so that we will know where we are at, rather than deferring it from day to day. I notice that there are over a hundred sections in this Act, and we are now up to Section 51; and I would like to see Section No. 17 dealt with now. I do not know how we can get it back on the floor. If it requires a motion, I would do it, so that we might go straight ahead and deal with Section 17 now.

MR. BLACKWELL: Mr. Chairman, the House unanimously accepted the view that Section 17 was to be reserved in the same fashion that the corresponding or like sections in the Voters' Lists Act were reserved or deferred. I might state to the House that it was not my intention to proceed with Section 17 to-day.

MR. STRANGE: When would it be your intention to

Mr. [illegible]

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Mr. [illegible]

the Voters' [illegible]

those sections [illegible]

we would [illegible]

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Mr. [illegible]

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proceed with Section 17?

MR. BLACKWELL: It being a government measure, I think that in the ordinary course we would resume on it when we thought the time was ripe to recall it. Frankly, I am not prepared to deal with Section 17 to-day. It is a section which may or may not lead to very substantial debate, and I had not intended to deal with Section 17 to-day. I presume that what would be necessary would be that the House would have to reverse its previous decision to reserve that section and the other sections in the Voters' Lists Act.

MR. STRANGE: What I am rather afraid of is that the business of the House is so appallingly slow that we are likely to be faced with a terrific rush, and that some of these principles may not be given the debate that they may require.

Frankly, I do not think there will be much debate, because I think the Hon. members of the House have already made up their minds as to what they are going to do with this particular section. If it is delayed in order that there may be representations from persons interested, there has been time for those representations to come in. And, from my understanding, very little representations had been made on sections 21, 17 or 18. My opinion is that representations would be about equally divided for and against. I am quite satisfied that the House is quite ready to dispose of this section.

When I asked you when Section 17 would be disposed of, you gave me a nice, courteous answer, but I do not know whether we will deal with it at the close of this Act or after we go through the next Act, which has 210 sections.

proceed with [illegible]

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Sections 51 to 61, inclusive, agreed to.

THE CHAIRMAN: Shall Section 62 form part of the Bill?

MR. JOLLIFFE: Mr. Chairman, in connection with this section, during this discussion, I have received an enquiry about the position of people whose religious scruples do not permit them to take an oath and who desire to give an affirmation? Form 11, referred to in Section 62, gives an alternative of affirming or solemnly swearing. I do not think that is covered by the Interpretation section of the Act.

MR. BLACKWELL: I quite agree with the Hon. leader of the opposition that we should add the words "or affirmation" after the words "subscribe the oath"

MR. JOLLIFFE: I will move, seconded by Mr. Cook (Waterloo North) that the words "or affirmation" be added at the end of Section 62.

It appears also in the following section, and I am wondering whether counsel would fix that up for us?

MR. BLACKWELL: Yes, that would be applicable both to Section 62 and 63, and also to section 65.

MR. JOLLIFFE: Yes.

THE CHAIRMAN: Shall Section 62, as amended, form part of the Bill?

Motion agreed to.

THE CHAIRMAN: Shall section 63, as amended, form part of the Bill?

Motion agreed to.

MR. JOLLIFFE: The same amendment should be in Section 64 and also in Section 65.

Section 64 and 65, as amended agreed to.

Sections 66 to 68, inclusive, agreed to.

[illegible]

[illegible]

BILL?

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enquiry [illegible]

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an affirmative. [illegible]

an alternative of [illegible] weeping. [illegible]

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Act.

MR. [illegible]

of the opposition [illegible]

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MR. [illegible]

(Waterloo North) [illegible]

at the end of [illegible]

I appre[illegible]

wondering whether [illegible]

MR. [illegible]

to section 64 [illegible]

MR. [illegible]

THE [illegible]

part of the Bill?

Motion agreed [illegible]

THE [illegible]

part of the Bill?

Motion agreed [illegible]

MR. [illegible]

Section 64 [illegible]

[illegible]

[illegible]

THE CHAIRMAN: Shall Section 69 form part of the Bill?

MR. CASSELMAN: Mr. Chairman, I do not want too back up too far, but there is no provision in Section 65 which states how the Deputy Returning Officer is going to know to which political party his scrutineers give their allegiance. Would it be the interpretation clause that the returning officer might ask the candidate, or something?

MR. GEORGE I. HARVEY (Sault Ste Marie): That is covered in Section 66.

Motion agreed to.

Sections 70 to 76, inclusive, agreed to.

THE CHAIRMAN: Shall Section 77 form part of the Bill?

MR. B. E. LEAVENS (Woodbine): Mr. Chairman, in clause 2 there the affirmation should go in in Section 76.

Wherever that appears, will that be changed? It is mentioned in the form, but not in the section.

MR. BLACKWELL: Yes, that follows, I just wanted to check the form.

THE CHAIRMAN: Shall Section 76, as amended, form part of the Bill?

Motion agreed to.

Sections 77 and 78 agreed to.

MR. HARRY STEEL (Lambton West): Section 79 is another one.

MR. JOLLIFFE: This might be cured by the definition section. I do not think it is covered in the interpretation section.

MR. BLACKWELL: I would be satisfied that in all these sections the counsel, in checking this Act, shall correct that.

Bill?

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MR. LEAVENS: It would be satisfactory, Mr. Chairman, if we understand that that will be changed in each case.

MR. BLACKWELL: Yes.

Sections 79 to 86 inclusive, agreed to.

MR. STRANGE: Mr. Chairman, I would like to ask the Committee if any consideration was given to the hours of voting? In most places the polling sub-divisions are opened at 8.00 o'clock, and in most cases, no person comes to vote at the poll until half-past ten or eleven o'clock.

I wonder if any consideration would be given to opening polls at eleven, rather than at eight o'clock in the morning.

MR. BLACKWELL: I have never heard of such a suggestion.

(Page 1030 follows)

Sections 86 to 91 agreed to.

THE CHAIRMAN: Section 94.

MR.HARRY C. NIXON (Brant): I think this is an appropriate place to place the amendment that I gave notice of the other day when we were discussing this Bill, because under the existing law Section 95 of The Election Act provides for the vouching of voters in rural districts and in the municipalities of 3,000 or less, and in this draft of the Bill that provision - which has for some twenty years been in the Election Act the law of the province and for a number of years in the Dominion election law as well, I believe being Section 46 of the Dominion Act. It has been omitted from this Bill now before the House, and, as I gave notice the other day, I would like to move that that section, which was Section 95 of The Election Act, should be restored to this Bill. I do not know if it is the thoughts of the hon the Attorney General (Mr. Blackwell) that this matter should be settled now or the section be held over to be dealt with before the House with the other sections that have been reserved. I have no desire to inflict a speech on the House as my hon. friend (Mr. Blackwell) will understand, but if you wish to dispose of this matter now ....

MR. BLACKWELL: Like my hon. friend from Brant (Mr. Nixon) I, too, have no desire to inflict a speech on the House on this section.

In the proceedings of the Select Committee on The Election Act, those of us who represented urban constituencies, as a matter of fact then held and still hold no views on this question. We relied absolutely on the members representing such constituencies as the hon. member for Brant (Mr. Nixon) has in mind.

There is, however, this consideration: There would

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Mr. [illegible]

appropriate [illegible]
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under the [illegible]
for the [illegible]
municipalities [illegible]
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was [illegible]
Bill. [illegible]
Attorney General
section [illegible]
the House [illegible]
have to [illegible]
Mr. [illegible]
this matter

Mr. [illegible]

Nixon: [illegible]

on this [illegible]

[illegible]

Electric [illegible]
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question [illegible]
consideration
[illegible]

[illegible]

seem to be a little danger of difficulty in most rural constituencies in the province by the restoration of that section to the Act, but I would suggest to the hon. member from Brant (Mr. Nixon), that we might reserve it and I would be very pleased to sit down and see how it might be suitably inserted in the Act, if that met with the views of the rural members of this House. I feel they represent those constituencies and they are in a much better position than any urban constituency is to judge this matter.

MR. NIXON: It is the wish of the hon. the Attorney General (Mr. Blackwell) that this amendment be submitted now?

MR. BLACKWELL: I would prefer that.

MR. JOLLIFFE: Before we leave the point I understood the hon. member for Brant (Mr. Nixon) to say that he had in mind preserving the old Section 95. Now, old Section 95 contains some safe-guards against the swearing in of voters in urban areas adjacent to the cities which are not really rural municipalities at all. I am very much interested in seeing that those safe-guards are continued if we are to restore Section 95 or something corresponding to that section to the new Act, and I am sure the Attorney-General would agree that is necessary.

I would like to say also, as far as I am personally concerned, I think I have been persuaded by the arguments of the hon. member for Brant (Mr. Nixon), that this is not the time to deprive rural electors of that right. I realize there may be cases where it could be abused. I understand in the odd place it has been abused, but I am inclined to think now that the right of the rural elector to be sworn in by being vouched for by one of his neighbours should be

preserved.

Section stands.

Sections 95 to 100, inclusive, agreed to.

THE CHAIRMAN: Shall Section 101 form part of the Bill?

MR. ROBERTS: Mr. Chairman, Section 101 is the Section under which any change to preferential vote would ordinarily come. I have here rather a lengthy amendment to this section that I would like to present, which probably may require some consideration by the legal officers of the Crown and the Attorney-General, and may not wish to dispose of this matter at the moment, but in order to get it on record now I would move, seconded by Mr. Hepburn (Prince Edward-Lennox) that Section 101 be amended. I do not know that it is the wish of the House that I read this considerable amendment as it involves a considerable amount of amending forms, &c.

MR. BLACKWELL: The amendment will be printed and the members will have an opportunity of reading it.

Section stands.

THE CHAIRMAN: Shall Section 102 form part of the Bill?

MR. SALSBERG: May I, with your permission, go back to Section 100? Have I that permission? I would like to ask of the hon. the Attorney-General (Mr. Blackwell) whether that Section 100 would cover those who are illiterate.

MISS MACPHAIL: We cannot hear a word.

MR. SALSBERG: I will be glad to make myself heard. I am inquiring of the hon. the Attorney General (Mr. Blackwell) whether Section 100 will also apply to a voter who cannot write in any language and whether that provision takes care of it or any other provision is provided.

[illegible]

MR. BLACKWELL: Mr. Chairman, in response to the question of the hon. member for St. Andrew (Mr. Salsberg) the Section seems to me to be reasonably clear on that question- it provides where a voter does not understand the English language. I think that is a happier expression than illiteracy, which would be hard to construe in the sense of Election Act and where illiteracy reaches a point that the voter does not understand what is said to him and he is unable to make himself clear, it is in the discretion of the Deputy Returning Officer to employ an interpreter. I think that answers the question.

MR. SALSBERG: It does and it does not. I corrected myself when I used the term 'illiteracy', I said 'did not 'write'. There are voters and even native born people who do not know how to write and they are given what is known as an open vote. Now, if there are no other provisions in the Act, then this Section may not be sufficient to guarantee that they will have a right to vote.

MR. BLACKWELL: May I refer the hon. member for St. Andrew (Mr. Salsberg) to Section 99.-(1), which has been passed already, which seems to indicate the mechanism for assisting voters under this circumstance to cast his vote. If the hon. member would read that section it would probably alleviate his alarm.

MR. SALSBERG: I am not really alarmed, but I do suggest since we are providing for each case, as we seem to in the case of the blind and those who cannot read or write English, that if the Attorney-General is satisfied that that will take care of the type of voter that I have in mind, then we will let it go at that, because the Section he refers to deals specifically with the blind.

MR. [illegible]

question of [illegible]

the Section [illegible]

question- if or [illegible]

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that the voter [illegible]

he is unable to [illegible]

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English, that [illegible]

will take care [illegible]

we will let [illegible]

dissatisfaction [illegible]

MR. BLACKWELL: Oh, no, unable to read, not merely from reason of blindness. Section 99.-(1) says:

> "The deputy returning officer on the application of any voter who is unable to read or is incapacitated by blindness or other physical call from voting in the manner prescribed by this Act....."

then he can have the assistance mentioned in the section and I feel that Section 99 (1) is the Section that is really provided to deal with the case brought up by the hon. member for St. Andrew (Mr. Salsberg). It seems to be the section that deals with illiteracy, which I presume is inability to write. If it is merely a question that he wishes an interpreter he can come down under Section 100. He is protected both ways and in view of the way in which the hon. member from St. Andrew (Mr. Salsberg) has put his question I wish to express myself as satisfied that we have covered the situation unless the hon. member from St. Andrew (Mr. Salsberg) has some situation to take up in a concrete way that appears not to be governed.

MR. DUCKWORTH: A voter wants to vote for a particular man, but he cannot read his name, is he going to have assistance? Say candidates are Johnston and Jones and he wants to vote for Jones.

MR. BLACKWELL: That is what the Act says, he is going to have help.

Section 102 to 107, inclusive, agreed to.

MR. LEAVENS: Might I ask something on Section 106, in regard the taking of the ballot out of the poll. Do you think there is sufficient protection there, or adequate penalty for doing such a thing? Because if he takes the ballot out of the poll he cannot come back and deposit it. There was a day in the good old days when they fought elections rough and ready, when a ballot taken out of the poll would

become a floating ballot. There is nothing here deals with that.

Page 1036 follows.

Sections 106 to 116, inclusive, agreed to.

MR. GEORGE H. MITCHELL (York North): Mr. Chairman, I must ask your indulgence to address a question to the hon. Attorney General (Mr. Blackwell) with reference to Section 111, where the employer has to fix the period that the employees shall have time to record their votes. I presume all employers will be notified of the new legislation, so there will be no question about it. I have, at times, had voters complain about their employers not being too cooperative in this regard, and I was wondering if any steps had been taken to advise all employers of labour in the province that this is the new law.

MR. BLACKWELL: That is what the Act says.

Sections 117 to 163, inclusive, agreed to.

THE CHAIRMAN: Shall Section 164 form part of the bill?

MISS AGNES MACPHAIL (York East): Mr. Chairman, when we are on the prohibitions, and lining them up under Section 164, may I ask the hon. Attorney General (Mr. Blackwell) if he does not think it would be a good idea to bring the Provincial Act into line with the Federal, in the prohibition of car stickers or ribbons or pins, or some means of identity on the day of election, no matter to what Party a person belongs, or what his political affiliations are. I find, in these things, that the people understand them a lot better if the two Acts are the same, or as near the same as possible.

During a Federal election, on the day of election, you cannot wear anything; you cannot wear, or carry, or have on your car anything that shows, in any way, your political affiliations, and I think there is something to

be said on that.

I understand in the Provincial elections you can be as flamboyant as you like, even having cards, and so forth, on the polling booth, with the name of a candidate on them. I heard, in the last election, of one returning officer who, in his enthusiasm, had a display card in the room, right in front of the people while they voted, and if he had occasion to hold up anything in front of him the display card was the last thing a person saw before he voted. I suppose the supposition might be that it being the last thing they saw they would vote for it, but I do not think that is true. I do not think it would have that effect. But, seeing that the Federal Act makes such a point of it, I was wondering if this committee took that into consideration, at all.

MR. BLACKWELL: Mr. Chairman, my recollection of the meetings of the committee was that that matter was not under consideration at that time, and as there is no reference to it in the report there was no reference to it in the Act. As a matter of fact, the only possible determination of the committee which could be said to have any bearing on it, was with a view of cutting down corrupt practices and including those things which were not necessarily corrupt, and removing from the Act a number of prohibitions which it already contained. So I have not the slightest idea to-day what might have been the view of the hon. members of this committee toward this particular question raised by the hon. member for York East (Miss Macphail).

MISS MACPHAIL: Would you be willing to ascertain that by referring this whole section back, or do you think it is not important enough for that?

I was terribly shocked in the last election to find

our own people passing out cards in the polling booths, and I said, "My goodness! That is thoroughly illegal. What are you doing it for?" And they said, "Oh, you know your Federal law, but not the Provincial." That was what really brought it to my mind. I think perhaps they are dazed enough by the day before the election, and we might perhaps give them election day free of all bally-hoo.

MR. BLACKWELL: I can only say this, Mr. Chairman, with regard to what the hon. member for East York (Miss Macphail) has said. This is purely a personal attitude on the matter, but I think the question is, Are such practices as are indulged in, — that is, the placing of stickers on windshields, and so on, — having any objectionable results? If not, my whole temperanment is to avoid any further prohibitions, even though it might be a nice theoretical thing to stop them.

Is there any actual harm done by the class of advertising which is done on cars, and so on, on election day? I have an version to incorporating into an Act prohibitions and sanctions that leave someone in the position of either letting a lot of people do these things or enforcing the Act by prosecuting them.

As an example of what I mean, I may say that I know in the last Federal election in North Toronto, although there was a prohibition against advertising, and so forth and so on, in that election cars were run about in the constituency with symbols and numbers on them in the place of that, and I think the matter is one that is worthy of consideration, and I have no very fixed views, one way or the other. But, unless there is good reason for the prohibition, I would suggest we do not introduce it at this time.

MISS MACPHAIL: The only good reason is that some of our electors federally may get confused about the thing and go around displaying a lot of signs in their enthusiasm and faith on the day of the Federal election. I wish they could be the same. I do not really care whether we do it or do not do it, but I would like them to be the same, Federal and Provincial. This is the only way I think we can have it done, because I do not think we can do much about getting the Federal Government to change its views about it.

MRS. R. M. LUCHOCK (Bracondale): Mr. Chairman, I feel the same way about it. In the last Provincial election, I, too, found similar things going on. Some polling subdivisions would have advertising of a candidate of one Party quite close to the polling booth, and one company complained about it. They did not know whether they should take it down or leave it up there. I think it would be better if elections were carried on in a similar manner. Let us take all these things out of this field and give them both Provincial and Federal prohibitions similarly. I think it would be much easier for the interpretation of the law and the education of the people. Anything I think in that way, Mr. Attorney General (Mr. Blackwell), I think would be better.

MR. BLACKWELL: I would be interested in hearing from some other hon. members of the House about this question.

MISS MACPHAIL: The women are agreed.

MR. BLACKWELL: Then I suggest some hon. members draft one for consideration.

MR. CHARLES A. STRANGE (Brantford): Not only is this really enforced federally, but I believe municipally, too, so I believe the majority of the voters more or less expect it is improper and confusing by any show of identification

of the Party you support on election day, and by adding that clause to this section it would clear up the confusion, and bring about uniformity.

Most of the voters are terribly confused on election day, anyway, and anything we can do to help relieve that condition I think should be done.

MR. ARTHUR A. CASSELMAN (Nipissing): Mr. Chairman, I do not think the voters were confused at the last election. I think my voters were very straightforward. Some of the others may have made mistakes.

THE CHAIRMAN: Shall Section 164 carry?

MR. JOHN H. COOK (Waterloo, North): Mr. Chairman, in regard to Section 164, sub-sections "i" and "j": Now, we see here that one has reference to the other. Both of these sub-sections indicate that a person who violates them is guilty of bribery, and shall incur a penalty of $200, and shall, also, on conviction, be imprisoned for a term of six months.

Now, that takes care of persons directly responsible for giving or offering a bribe, but does it take care of a man behind that person? The hon. Attorney General (Mr. Blackwell) should know that the people who offer a bribe do not offer it to a candidate or would-be candidate, and I would like to ask if there is any provision under the Penalty Section for any person not directly connected with the bribery, but the man behind the scenes.

MR. BLACKWELL: In view of the fact that almost all sub-sections say "directly or indirectly", I suppose if somebody procures any of these things he does so indirectly, and he would come under the penalty clause of the section.

MISS MACPHAIL: If you can locate him.

MR. BLACKWELL: If we cannot, the statute will not

help us much.

MR. JOLLIFFE: The hon. member (Mr. Cook) seems to want to get at the man behind the man behind the throne --

MR. BLACKWELL: The man behind the man behind the slot machines.

THE CHAIRMAN: Shall Section 164 form part of the bill?

MR. DENNISON: Maybe we should have this section reserved, in view of the objections raised. If the hon. members want to change it, I think perhaps it should be given further consideration.

I have noticed in the Municipal Act, Section 127, that they are very, very strict in that connection in municipal elections. No person may hand another person a leaflet, handbill, card, ticket, or anything having upon it the name of any candidate. That is strong and sweeping enough to even apply to a newspaper, I believe. It is very, very strong, and that prohibition extends to both municipal elections and federal elections, and in view of the fact that the matter was not discussed, - not directly, - at our committee meetings held in September and December, it might be well if we reserve this for a day and give us a chance to think it over, and perhaps the hon. members of the House might agree on something.

MR. BLACKWELL: I am not adverse to considering such an amendment, and I am quite satisfied to reserve the clause and give the hon. members a little time to think it over.

MR. JOLLIFFE: I do not feel very strongly about it, either, particularly in view of the fact that some election propaganda is certainly to be seen by the electors on election day, and there is nothing which should be done to prevent it. Billboards, posters, newspaper advertising, and so

on, can all be seen by the electors on election day, - they are there.

However, it is true that some confusion has been created. As a matter of fact, in one Federal by-election, what happened was this: the returning officer, who was a very experienced returning officer, called in the agents of the candidate, and said "Now, look here; under this Act it is unlawful for you to carry on your cars, on election day, any cards," but, he said, "I do not want to waste any time dealing with complaints about that on election day; would you like to come to a gentleman's agreement, so there will be no complaints, and although both sides regarded the other as anything but gentlemen, they came to that agreement, and everybody carried cards on election day, contrary to the provisions of the Federal Election Act, and there was no complaint, and that was the end of it. That incident illustrates the confusion which has arisen, because a thing which is permitted under the Provincial Act is forbidden under the Federal Act and the Municipal Act.

Section 164 stands.

Sections 165 - 173, inclusive, agreed to.

THE CHAIRMAN: Shall Section 174 form part of the bill?

MR. JOLLIFFE: Mr. Chairman, before 174 carries, I must say that I doubt if the penalty fits the crime, under Section 174, for a person to vote, knowing he has not the right to vote, or a person who procures or induces any other person to vote, knowing such other person has no right to vote, he shall be guilty of corrupt practise, and so forth. It seems to me this is a rather serious offence. The offence in the preceding section is punished by a penalty of $400; in this section it is $200. In my opinion the offence mentioned in Section 174 should be regarded as one of the most serious offences. I know

it is not easy to get the evidence to enforce the section, but I think it should be taken as being more serious. Would the hon. Attorney General (Mr. Blackwell) agree on that point?

MR. BLACKWELL: I am not prepared to make a statement on the penalty. Suppose we reserve the section for the time being.

Section 174 stands.

Sections 175 to 178, inclusive, agreed to.

MR. JOLLIFFE: Mr. Chairman, I would like to ask a question in connection with 178. Am I right in understanding that that would not disqualify a candidate or other person convicted in a police court of an offence under this Act? Is that the meaning of Section 178? Would the hon. Attorney General (Mr. Blackwell) give us his opinion?

MR. BLACKWELL: There is special procedure for election offences, and once that procedure is taken, it has no effect, as far as disqualification stands.

Sections 179 to 184, inclusive, agreed to.

MR. JOLLIFFE: Now, a similar point arises there, Mr. Chairman. I am not arguing about it; I am simply raising the question, whether there is any competent tribunal, other than the election court, contemplated in the Act. Under Section 184, it says:

> "If, on the trial of an election petition, a candidate is proved to have personally engaged any person, as a canvasser or agent, knowing that he has, within eight years previous to such engagement, been found guilty by a competent tribunal of, or reported by, an election court for a corrupt practice, the election of such candidate shall be void."

Is there a distinction between the two?

MR. BLACKWELL: No other competent tribunal, except the tribunal set up by the machinery of this Act. This

section deals with the question where it is found that people have procured disqualification, and so on, upon the perjured testimony. Then a motion may be made to the Supreme Court to have that disqualification lifted.

Sections 185 to 188, inclusive, agreed to.

(Page No. 1045 follows.)

Sections 189 to 198 inclusive agreed to.

On section 199 -- Payments not to be made except through official agent.

MR. JOLLIFFE: I believe that the wording of subsection (1) of this section is the same as that of the old subsection. I raised the point before the select committee that there has sometimes been a difference of opinion about the meaning of the old subsection. I had my own view of what it meant but it has been interpreted by some returning officers to mean that no contribution and so forth in excess of $50 shall be received by or on behalf of a candidate. I always held that to be the wrong interpretation because no comma follows the word "candidate". The concluding words of the subsection are "otherwise than through his official agent." But unfortunately there are people who have understood it to mean that the subsection prohibits any contribution in excess of $50. I think the Attorney General will agree with me that that is not the right interpretation. I had hoped that the subsection might be reworded so that the matter would be put beyond any doubt.

MR. BLACKWELL: I would be glad to reserve the section for reconsideration to clarify that point, because the intent of the section as I understand it is that any contribution over $50 must go through the official agent.

Section stands.

Section 200 agreed to.

Section 201 agreed to.

On section 202 -- Statement of election expenses, etc. to be sent by agent to returning officers.

MR. BLACKWELL: This subsection as drafted does not in my view implement the recommendation of the select

committee, which is found on page 15 of the committee's report, paragraph 3, which reads as follows:

> "That the statement to be made by the candidates or their official agents of contributions received and payments made, be on an aggregate basis covering any large sums donated and proper expenditures."

For that reason I move:

> "That subsection 1 of section 202 be amended by striking out the first three lines and inserting in lieu thereof the following:
>
> 202.-(1) A statement of the aggregate amount of money or its equivalent received as election contributions, payments, loans, gifts, advances or deposits and each of which exceeds in amount or value $50."

Retaining the $50 there makes this section completely consistent with the section we have just reserved, under which contributions over $50 must go through the official agent, who has to show on his return the aggregate of all contributions over $50 that came into his hands, plus detailed expenses.

Amendment agreed to.

MR. SALSBERG: I am in favour of this section but I wonder if it covers the situation adequately. Any contribution of $50 or over should be listed. Nevertheless it is common knowledge that tens of thousands of dollars are contributed to election slush funds that are never accounted for and can never be traced but which nevertheless influence the outcome of elections and provide the sinews of political war for parties and for certain candidates. From the point of view of protecting the public we really do not go to the root of the problem by simply asking for a statement. For instance, as

most hon. members of the House know, large sums of money are spent even before an election that influence the choice of candidates and the outcome of an election. It is known throughout the country to-day that the Progressive Conservative Party, for instance, employs an ever-increasing number of specialists, special advisers in this and that and every other phase of social or communal life, and I do not see how this provision will enable the public to know where the money for that purpose comes from to pay an ever-growing staff.

Furthermore, what protection has the public against unduly influencing the choice of candidates and leaders through financial contributions which often take the form of engaging individual advisers, people who with no other source of income are allocated to party leadership and so on and are able to engage themselves in all sorts of activities and even enhance their own position. The public does not know, and this Act is not sufficiently strong to enable the public to know, whose adviser is who and what he gets for being an adviser. Yet this involves the expenditure of a great deal of money and undoubtedly exercises undue influence upon policy.

MR. JOLLIFFE: It is not always good advice they give.

MR. SALSBERG: I do not know to what the Leader of the Opposition is referring. It is said, for instance, that the national leader of the Progressive Conservative party is also an adviser to certain people. I do not know whether that is so or not, but if he should be, and if he receives remuneration for serving in such capacity, I would be inclined to think that people engaging political leaders as advisers would undoubtedly exercise great influence upon

the policies of such individuals. That really means the utilization of great wealth to influence political leaders and political parties.

I would ask the Attorney General whether this section, 202, provides adequate protection against the undue use of wealth in influencing the policies of political leaders and their parties, thereby contributing to the defeat of other candidates and parties. Is this section sufficient to provide against that? I would appreciate an assurance on this point. I know that it is hard to find and label and to trace, but I am sure that this Government would be willing to enact the best possible legislation to make sure that the public will be protected.

MR. DREW: Is this a vote of confidence?

MR. SALSBERG: I am glad to see, Mr. Chairman, that the Prime Minister still has a sense of humour and understands fully what I am trying to say. I belong to a party that has to collect pennies and dimes.

AN HON. MEMBER: Be careful, now.

MR. SALSBERG: The campaigns that our party conducts are campaigns that are financed by the working people. I do not know how many workers contribute to the Progressive Conservative party funds. I have yet to come across one worker who did. I do not know how many small merchants contribute to that party's funds. I have yet to come across any of them who do. But the party gets the money from somewhere. All I want to know is whether this great staff of advisers and liaison officers and so on are provided for in a manner that does not improperly influence policy and the election of the candidates

of the party. Is this section adequate for that purpose, in the mind of the Attorney General?

MR. BLACKWELL: The hon. member for St. Andrew stands in his place in the Legislature obviously well clothed and well fed, and it is hard for me to believe that his progress has been made on nickels and dimes of the workingmen. It seems to me there must have been something more than the pennies of the workingman that has contributed to my hon. friend's advance.

I believe, sir, that if Sir Herbert Holt was a young man to-day and was starting all over again under existing circumstances his ambition would be not to be a leader of finance and industry but a labour organizer. The hon. member for St. Andrew has told a pitiful tale to-day about the nickels and dimes that he depends on in comparison with the Tory or Liberal reactionary parties, but may I suggest that if there was a complete declaration of all receipts and expenditures the advantage would be with the hon. member for St. Andrew.

MR. SALSBERG: I did not ask the Attorney General as to advantages or disadvantages but whether he is satisfied that the law as now proposed is adequate to protect the public from the undue influence of financial contributions to party funds.

MR. BLACKWELL: Coming right down to that point, as Attorney General I have this to say. I do not think there is any means or declaration or Act that we could adopt that would assure the public where Mr. Tim Buck gets his money for election purposes.

MR. SALSBERG: I would like to continue with my question and ask the Attorney General whether he feels that

the law is adequate to enable us to know where the national leader of the Progressive Conservative party gets his money, how much he is paid now, and by whom he is paid. I just want to follow up that question.

MR. BLACKWELL: I presume that the proper step for the hon. member for St. Andrew to take is to get some member of the federal House to take that up.

Section as amended agreed to.

Sections 203 to 205 inclusive agreed to.

On section 206 -- Commencement of Act.

MR. CONNOR: Can we pass section 206 without first taking up the reserve sections?

MR. BLACKWELL: I will undertake that the bill will not be reported out of committee until the reserve clauses are dealt with.

MR. MITCHELL: We are near the end of the bill, which I believe had the full endorsation of the members of the select committee which considered it. They were in accord both on the principles and the wording of the sections, and I think the time of this House would have been saved if we had recognized that.

MR. BLACKWELL: Some members of the select committee have already moved amendments, but I will say this, that the Act as introduced was intended in principle to implement the report of the select committee and except for minor changes I believe it does.

MR. MITCHELL: That is the reason I rose, because it seems to me that the time of the House has been taken up in clearing up so many points that might well have been cleared up in committee. That is what the committees are for. I realize, of course, that the hon. members of the

House must have the opportunity to make suggestions and propose amendments, but it does seem to me, nevertheless, that points of detail might have been cleared up when the bill was before the special committee.

MR. JOLLIFFE: Does the bill come into force on any particular date?

MR. BLACKWELL: No.

MR. JOLLIFFE: Then it will come into force within the sixty days?

MR. BLACKWELL: Yes.

Section agreed to.

Section 207 agreed to.

Schedule agreed to.

Progress reported.

Bill No. 37, an Act to repeal The Political Contributions Act was considered in committee and reported.

Bill No. 38, an Act to amend the Judicature Act, was considered in committee and reported.

(Page 1052 follows)

GGl HON. GEORGE A. DREW (Prime Minister): Thirtieth order.

CLERK OF THE HOUSE: Thirtieth order, "An Act respecting Prospecting Syndicates having a Capital not Exceeding Ten Thousand Dollars." Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, Bill No. 42, dealing with an Act respecting Prospecting Syndicates was fully discussed by me at the time of the second reading on the Securities Act, 1945. Now, in view of the fact that that Bill, The Securities Act, 1945, was attacked on second reading and referred to the Legal Bills Committee, I am going to move Bill No. 42, "An Act respecting Prospecting Syndicates having a Capital not Exceeding Ten Thousand Dollars," be now read a second time. I am giving my own understanding it too, will be referred to the Legal Bills Committee.

MR. JOLLIFFE: I would concur in that.

Motion agreed to, second reading of the Bill.

HON. GEORGE A. DREW (Prime Minister): For the purpose of convenience, I would like to call the Thirty-Eighth order, another Bill of the Hon. Attorney General.

MR. JOLLIFFE: Do we not need a motion of reference?

MR. BLACKWELL: In case there is any doubt, I will move Bill No. 42 be referred to the Legal Bills Committee along with the Securities Act, 1945.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Thirty-Eighth order.

CLERK OF THE HOUSE: Thirty-Eighth order, Bill No. 63, "An Act to amend the Public Trustee Act." Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, in rising to move second reading of Bill No. 63, which is an Act to amend the Public Trustee Act, very little

need be said in a discussion of the Bill.

In 1942 when the Hon. member for Elgin (Mr. M. F. Hepburn) was then Prime Minister, an amendment was enacted to the Public Trustee Act which prevented the public trustee in investing funds which held in trust in any security other than the Province of Ontario bonds. It was an extraordinary amendment to go through the House in view of the fact, among other things, Canada was then at war. It prevented the public trustee from investing any of those trust funds in Victory Bonds, and this Bill is being introduced to cure that situation, and restore to the public trustee the ordinary investing power under that Act which will enable the public trustee to invest such funds in Victory Bonds and other trustee securities under the Statutes. I therefore move Bill No. 63, an Act to amend the Public Trustee Act be now read a second time.

MR. A. WILLIAMS (Ontario): Before it is carried, I wish the Hon. Attorney General would give an explanation further. I am quite in favour of the public trustee being permitted to invest funds in the Province of Ontario and the Dominion of Canada, but I am not so certain I would be in favour of investing funds anywhere he likes. Maybe the Act that was passed restricting the rights for investing only in the Province of Ontario might have been too narrow, but will the Hon. Attorney General tell us here, or tell me, anyhow, whether a repeal of this section might not make it too wide?

HON. GEORGE A. DREW (Prime Minister): This restores it to the position it was before and permits the investment of trust in trust investments.

MR. WILLIAMS: I do not know what it was before. I never had this wealth that I could throw around.

MR. BLACKWELL: Has the Hon. member, Mr. Speaker, for Ontario (Mr. Williams) got the Section before him, the investment section?

MR. WILLIAMS: I only have the Bill.

MR. BLACKWELL: I will read it:

> "26 - (1) A trustee having money in his hands which it is his duty, or which it is in his discretion to invest at interest, may invest the same in the debentures, bonds, stock or other securities of, or guaranteed by, the Government of the Dominion of Canada, or of or guaranteed by any Province of Canada, or of the Government of the United Kingdom, or of any municipal corporation in Canada, including debentures issued for public school purposes or guaranteed by any municipal corporation in Ontario, or secured by or payable out of rates or taxes levied under the law of any Province of Canada on property situated in such Province and collectible by or through the municipality in which such property is situated, in the same manner and with the same rights of enforcing payment, as in the case of general municipal taxes in such municipality, or in securities which are a first charge on land held in fee simple in Ontario, Manitoba, Saskatchewan, Alberta or British Columbia, provided such investments are in other respects reasonable and proper, or he may entrust the same to a trust company incorporated or licensed under the laws of Ontario for guaranteed investment as set out in 'The Loan and Trust Corporations Act', provided that in the case of a company licensed under the law of Ontario it has been approved by the Lieutenant-Governor in Council.
>
> (2) Subject to the proviso in subsection 1 any money already invested in any such stock, debentures or securities shall be deemed to have been lawfully and properly invested. 1926, c.40, s.27. (See also The Loan and Trust Corporations Act, Rev. Stat. c.223.)

MR. H. NIXON (Brant): Does the Hon. Attorney General still think there should not be any restriction?

MR. BLACKWELL: No, I would not think so.

MR. JOLLIFFE: The Hon. Attorney General has just read Section 26 of the Trustee Act which applies not only to the Public Trustee but to other trustees. This whole provision, as I take it, simply restores it to the position it was before the 1942 amendment and places the public trustee in the same position as any other trustee.

MR. BLACKWELL: That is right.

Motion agreed to and Bill read the second time.

HON. GEORGE A. DREW (Prime Minister): Order No. 40.

CLERK OF THE HOUSE: Fortieth Order. Second reading of Bill No. 65, "An Act to amend the Evidence Act," Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, with regard to Bill 65, being an Act to amend the Evidence Act. If the hon. members wish to follow the note attached to this Bill, it indicates pretty well the principles of the Bill. These overcome not only for governments, but for private corporations, under proper safeguards and proper circumstances, the obligation of holding voluminous records to the end of time, and it enables those to be taken, subject to the safeguards of this Act, on microscopic film, and thereby preserved, with great saving in space, and also it enables the maintenance of duplicate records taken by the same process to be kept in more than one place, which prevents the permanent loss of records by catastrophy.

It will interest hon. members, I am sure, to have me remark, in that connection, that if that system had not been in force in England, and applied under the Evidence Act there, on account of the bombings and burnings, countless records would have been lost in England which in this fashion are still available.

I therefore move that Bill 65, "An Act to amend the Evidence Act," be now read the second time.

Motion agreed to and bill read the second time.

HON. GEORGE A. DREW (Prime Minister): Order No. 31.

CLERK OF THE HOUSE: Thirty-first Order. Second reading of Bill No. 44, "An Act to amend the Public Health Act," Mr. Vivian.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker,

in rising to move second reading of Bill No. 44, "An Act to amend the Public Health Act," may I say that as all the hon. members of the House will have the Bill before them, they will note that the proposed amendments are a number lacking a common principle, except to tidy up the Public Health Act in its administration, and I will deal with them singly.

The purpose of Section 1 is to make it possible for regulations prescribing the standard for premises for public cold storage of food for human consumption, and is a most important one, with the growth of units which are rented to the general public in the form of lockers. The establishment of the type of cold storage for food grown largely by the persons who rent the lockers is something that is very necessary, with the set of standards being set up and maintained through instruction. The purpose is to do this by the amendment, and by so doing to provide a system of sustained supervision over what could be a very real hazard in the consumption of food, and it is felt that a license fee of five dollars per year should be set up.

Section 2 of the bill is simply a matter of tidying up an amendment which was put through this House last year regarding the regulations governing swimming pools, as to location, construction, alterations and repairs.

Section 2 of the bill also allows any local municipality to have the right, which was previously limited to municipalities adjacent to larger centres.

Section 3 of the bill: this amendment is necessary in the establishment of health units composed of partly-organized and partly-unorganized territory, and is illustrated by the fact that not only were new health units recently established, but there were two municipalities in a territorial district which united to form this health unit. It was con-

sidered to be very desirable to have some adjacent surrounding territory included in the unit, the province paying the cost of the services for this unorganized territory. The Act has, up to now, however, not made any provision for the designation of the area which could be included in such a health unit, and this proposed amendment will deal with that.

MR. GEORGE H. MITCHELL (York North): Is it in order to ask the hon. Minister a question, Mr. Speaker?

MR. SPEAKER: If you care to.

MR. MITCHELL: Have you arrived at any basis relating to provincial contributions, with reference to these health services?

MR. VIVIAN: Three units have been paid at the rate of 50 per cent.

Now, Section 4 of the bill--

MR. ARTHUR WILLIAMS (Ontario): Mr. Speaker, I would like to ask the hon. Minister of Health a question, if I may. Before you get to Section 4, is this a misprint, the word "six" in Section 2, sub-section 2, where it reads, "six per centum of the deferred payments." Should that not be "three per centum"?

MR. VIVIAN: I will answer that in a moment. I think we were down to Section 4, and we will come back to the one in connection with which the question was raised by the hon. member for Ontario (Mr. Williams).

Section 4 of the bill adds a new section to the Act. This amendment was requested by the City of Ottawa, which is desirous of vesting the control of the Isolation Hospital in the General Hospital in Ottawa. Isolation hospitals are a municipal responsibility, under the Board of Health. In this way, a municipality may secure isolation facilities, and have those facilities operated by the General Hospital, within the community.

In answering the question by the Hon. Member for Ontario (Mr. Williams) the six per centum interest rate is not being amended; it is as it was.

Section 5 of the Bill adds a new section which has been given the greatest consideration by this government, and I am assured by many of the Hon. members of the House, in matters that deal with premises used for the care of the aged or the infirm, on a rental basis. It has been very difficult to make an amendment that would meet the need and satisfy the conditions, without constructing such an amendment that would make it almost impossible for those who do care -- care very well -- for our aged people in their own homes, and this amendment proposes to give the medical officer of health of that locality the power to ensure that conditions in those premises are satisfactory.

Section 6 of the Bill -- it is the last section -- adds a new sub-section. The situation is this; that the Act as it now reads authorizes a school board to enter into an agreement with a county to provide for the employment of public health nurses in schools. This amendment is necessary so as to make provision for dealing with a situation in which this service is not established in all of the schools of a county. The amendment will enable a partial service to be established, and the cost of that service to be charged against only those local municipalities which receive the service.

MR. GEORGE H. MITCHELL: (York North): Mr. Speaker, if I once again might have the indulgence of the House for a moment; in regard to the matter of the care of these aged people, and the determination by the local M. O. H. as to the conditions. I think the most important factor there is the allowances which these old people receive, do not enable them to pay for adequate locations in many cases, they have to look for

the back concession residences, to carry on, under their allowances.

MR. VIVIAN: Mr. Speaker, without entering into a debate, may I say that there is a subject which the Hon. member for York North (Mr. Mitchell) might better raise at a later time. In connection with this section, we are speaking of our aged, and mildly senile, and infirm. The medical officers of health are thoroughly competent to decide that issue, anytime. The question raised by the Hon. member for York North (Mr. Mitchell) is entirely irrelevant.

MR. WILLIAM DENNISON (St. Davids): I would like to speak on this, but, as it is now six o'clock, if you wish, I move the adjournment of the debate.

MR. SPEAKER: Go ahead.

MR. DENNISON: Does this extend to the principle with regard to sewage disposal, which might cause more pollution in existance, where towns, cities and villages have no sewage disposal facilities? At the present time the Act does not allow the local Board of Health in any of the small districts -- under two hundred thousand, I believe is the number -- to say to a householder, "You must join up with the sewage system in that city", and if we pass this, we extend the rights to the local boards of health to ask anyone in the towns or villages of this province, no matter what size, that the householders must be connected with the local sewage system. This means that in this province we have about fourteen cities, nearly fifty thousand villages without any disposal facilities whatever; they are pouring raw sewage into thelakes, streams, and rivers of this province. I think it is a public disgrace. We are now giving them the right to pour more sewage there, not treated, but raw sewage, destroying the streams, and removing from the whole

of this Province valuable mineral elements which should be removed from that sewage and returned to the land.

Now, it seems to me we should leave the Act for the moment as it is, until we are prepared to give the cities advice, help, and perhaps financial assistance in building proper sewage disposal facilities. We should not like them to go to the people who now have other means of sewage disposal -- various other systems that may be working well -- and require them to join up with the city sewers.

Mr. Speaker, I just want to raise that point. I think it is a principle that we should hesitate at this time to adopt.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, may I suggest that the point raised may very well be raised in committee, where the sections will stand by themselves, as this does not affect the principle of the Bill.

MRS. R. M. LUCOCK (Bracondale): Mr. Speaker, in regard to section 5, concerning aged people; I was wondering if that should not be taken up on third reading. I think there should be more than one person if a complaint comes in. If a complaint is made by a person, there should be somebody to appeal to. Could it be dealt with in committee?

MR. VIVIAn: Mr. Speaker, the principle is before us now and the details may be manoeuvered a little later on.

Motion agreed to; The Bill read the second time.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move the House do no w adjourn.

MR. EDWARD B. JOLLIFFE (Leader of the opposition): Would the Hon. Prime Minister indicate again what we will be doing to-morrow and to-mor row night?

HON. GEORGE A. DREW (Prime Minister): Yes. As indicated on Friday, we will proceed right through with the Speech from the Throne to-morrow.

MR. JOLLIFFE: Both afternoon and evening?

MR. DREW: That is right.

Motion agreed to, the House adjourned at 6.05 p.m.

THE LEGISLATIVE ASSEMBLY

NINETEENTH DAY

AFTERNOON SESSION

Toronto, Ontario,
Tuesday, March 13, 1945.

SPEAKER: Honourable William J. Stewart, C. B. E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

MR. JAMES de C. HEPBURN (Prince Edward-Lennox): I beg leave to present the second report of the Standing Committee on miscellaneous private bills and move its adoption.

CLERK OF THE HOUSE: Your Standing Committee on miscellaneous private bills begs leave to present the following as its second report:

"Your Committee begs to report the following Bills without amendment: -

Bill (No. 5), An Act respecting the City of Peterborough.

Bill (No. 9), An Act respecting the City of Kingston.

Bill (No.12), An Act respecting the City of Port Arthur.

"Your Committee begs to report the following Bills with certain amendments: -

Bill (No. 4), An Act respecting the Royal Ottawa Sanatorium.

Bill (No. 7), An Act respecting the City of Peterborough Civic Hospital.

Bill (No.13), An Act respecting the City of Ottawa Separate School Board.

Your Committee would recommend that the fees less the penalties, if any, and the actual cost of printing be remitted on Bill (No.4), An Act respecting the Royal Ottawa Sanatorium, on the ground that it relates to a charitable institution, and on Bill (No. 13), An Act respecting the City of Ottawa Separate School Board, on the ground that it relates to an educational institution."

Motion agreed to.

MR. HARRY A. STEWART (Kingston): I beg leave to present the final report of the Standing Committee on Standing Orders, and move its adoption.

CLERK OF THE HOUSE: "Your Standing Committee on Standing Orders begs leave to present the following as their Third Report: -

"Your Committee has carefully considered the following Petitions and find the Notices as published in each case sufficient.

"Of the Corporation of the City of London, praying that an Act may pass authorizing the Corporation to provide additional accommodation at the Victoria Hospital at a cost of $100,000.00, and to amend the Act to incorporate the Western Fair Association.

"Of the Corporation of the Township of Stamford, praying that an Act may pass granting the Township the standing of a town for the purposes of Section 12 of the Assessment Act and Section 24 of the Public Health Act.

"Of the Corporation of the Township of Teck, praying that an Act may pass authorizing the said Corporation to terminate an agreement with the Teck-Hughes Gold Mines, Limited, providing for a supply of water.

"Of the Corporation of the Town of Paris, praying that an Act may pass authorizing the purchase by the Petitioners of the Paris Arena from the Paris Arena, Limited, and the issue of debentures of $8000,00 therefor."

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of bills.

HON. LESLIE E. BLACKWELL (Attorney General): I move,

seconded by the hon. Mr. Frost, that leave be given to introduce a bill intituled "An Act to amend the Liquor Authority Control Act, 1944," and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. JOHN H. COOK (Waterloo North): Would the hon. Attorney General give an explanation?

MR. BLACKWELL: Mr. Speaker, the bill, as framed last year, provided that the expenses of the Board be paid by the Treasurer of the Province of Ontario.

This is simply an amendment for technical reasons, to provide that the expenses be paid by the Liquor Control Board. The reason for that is that it is thought desirable, for the purpose of revenue relations with the Dominion Government, that the expenses of this Board, which takes the place of the Hotel Department of the Board, be continued to be paid for accounting purposes.

MR. HARRY C. NIXON (Brant): I beg to move, seconded by Mr. Hepburn (Elgin), that leave be given to introduce a bill intituled "An Act respecting the Town of Paris," and that same be read a first time.

Motion agreed to and bill read the first time.

MR. WILLIAM J. GRUMMETT (Cochrane South): I move, seconded by Mr. Dennison, that leave be given to introduce a bill intituled "An Act respecting the Township of Teck," and that same be now read the first time.

Motion agreed to and bill read the first time.

HON. GEORGE H. DOUCETT (Minister of Highways): Moved by myself, seconded by Mr. Challies, that leave be given to introduce a bill intituled "An Act to amend the Highway Improve-

ment Act," and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. GEORGE H. MITCHELL (York North): Would the hon. Minister kindly enlighten us?

MR. DOUCETT: The only change in the principle in this bill is making it permissible for a county to appoint a suburban commission as your County Road Committee. The rest are minor amendments to the Act.

MR. CYRIL OVERALL (Niagara Falls): I beg to move, seconded by Mr. Riggs, that leave be given to introduce a bill intituled "An Act respecting the Township of Stamford," and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. THOMAS L. PATRICK (Middlesex North): I move, seconded by Mr. Goodfellow, that leave be given to introduce a bill intituled "An Act respecting the City of London," and that same be now read a first time.

Motion agreed to and bill read the first time.

MR. SPEAKER: Orders of the Day.

HON. GEORGE A. DREW (Prime Minister): Third Order.

CLERK OF THE HOUSE: Third Order, resuming the adjourned Debate on the amendment to the amendment to the motion for the consideration of the Speech of the Honourable the Lieutenant Governor at the opening of the Session. Mr. Drew.

MR. A. A. MacLEOD (Bellwoods): Mr. Speaker, when I moved the adjournment of this debate on Thursday last, I believe it was, I was discussing the circumstances of the last Session, and I recalled that at that time all parties in the Legislature had shown a complete willingness to

make it possible for the Government to implement its 22-point election platform. I stated then, and I repeat now, that no Government in Ontario's history had ever faced a more co-operative Opposition. I cannot say, of course, that the Government reciprocated. Many practical and reasonable proposals were put forward by the Opposition members, but few , if any, were accepted.

When the Session ended none of us, I think, were completely satisfied with its results, and we, on our part, strongly urged that a special Session be called in the Fall to deal with unsolved problems. In this connection I pointed out the utter absurdity that this supreme Tribune of Ontario, charged with the responsibility for 3,500,000 people, and passing appropriations amounting to $130,000,000, should meet only 7 weeks in the year.

The summer months passed and, so far as we could see, the Government was hibernating. In August the Tory bear emerged, and on the 9th of that month the Premier appeared before the microphone to make what was generally regarded as probably the most outrageous speech ever delivered by a public man in this province. In common with leaders of other opposition groups, I issued a public statement condemning the Premier's speech, from which I quote: "August 13, 1944.

> "Premier Drew's shocking statement that his Government will do everything in its power to prevent the implementation of the Dominion Family Allowance Act should cause a revulsion of feeling among all the people of this province, as it most certainly will in other parts of Canada. It is significant that Mr. Bracken lost no time in commending Mr. Drew's stand, which he termed 'a natural reaction'. He upholds Mr. Drew's argument that Ontario is justified in retaining its revenues for its own Social Services even to the detriment of the national interest. That should finally dispose of any motion that Mr. Bracken is a fit person to place at the national helm.

"Premier Drew's declaration of war against the Province of Quebec is nothing less than a calculated attempt to destroy the very confederation which he professes to defend, and is all the more despicable coming at a time when Canadians of all races are voluntarily offering their lives on the field of battle for their country's survival as a united nation.

"If Premier Drew thinks he can stampede the people of Ontario into a rejection of Family Allowances by a campaign of racial prejudice he is due for a rude awakening. The Premier advances the specious argument that Ontario could give its people greater benefits for the money it will have to contribute to a federal scheme of Family Allowance. It is only necessary to point out that such a policy would obviously make Ontario an object of scorn in other Provinces, since all of them, by the very nature of things, contribute to the favoured position which Ontario occupies in our national life. Would Mr. Drew carry his argument to the point of suggesting that Ontario should institute its own scheme of war-service gratuities, and thus deprive the fighting men of the West, Quebec and the Maritimes of the benefits they receive under the recently enacted federal plan? Perhaps that will be the next step in his rule or ruin policy.

"The Premier's outburst will be recognized, I am sure, as an attempt to divert the attention of the electorate from his own abysmal failure to grapple with those problems which lie within the provincial jurisdiction.

"One marvels at the effrontery of Mr. Drew in presuming to commit the people of Ontario to this outrageous course of action. Let it not be forgotten that on August 4th of last year, two out of every three people who went to the polls voted against Colonel Drew. Indeed, he is Premier of this Province only because the members of all parties in the Legislature were willing to grant him an opportunity to enact the reforms pledged in his 22 points. This he has failed to do.

"While I very much doubt whether Premier Drew has the courage to test his case before the Legislature, I am convinced that the time has now come for the fifty-two Opposition members who represent two thirds of the electorate to insist on an immediate Session of the House, and there demand that the Premier either abandon his proposed course of action, and implement his election pledges, or resign and make way for a government more truly representative of the best interests of Ontario and the nation.

"For the members of the Legislature to maintain a policy of silence or inaction on such a grave matter would be a betrayal of the honour and integrity of the people of Ontario."

It will be recalled that Premier Garson of Manitoba

also took sharp issue with Premier Drew, as did the premiers of other provinces. If I remember correctly, the Premier has even during this Session attempted to give the impression that Mr. Garson shared his attitude toward the Dominion Family Allowances Legislation. For that reason it is worth recalling exactly what Mr. Garson did say in two lengthy letters to the "Globe and Mail", from which I quote a small portion.

(Page No. 1070 follows.)

After taking issue with the Globe and mail in its attempt to make him a bed fellow of the Ontario Premier, Mr. Garson cites that portion of the Premier's speech in which he said:

> "We have no thought of adopting any cog in the manger attitude as far as Ontario is concerned. We recognize that we have great advantages. It is likely these advantages will increase as time goes on."
>
> "But," continued Mr. Garson, "these sentiments are included in Premier Drew's speech as his own commentary upon a little sum in arithmetic which precedes them and which are in direct conflict with them."

Mr. Garson is referring, of course, to the Premier's outline of what he could do with a hundred million dollars.

> "It is Premier Drew's arithmetic and its implications with which I profoundly disagree,"

says Mr. Garson.

> "Coming from a man of his enlightened view I find it very confusing. Until this confusion is resolved, a safe rule is that when the rhetoric of a speech conflicts with its arithmetic, it is prudent to heed the arithmetic."

Now, continuing in the letter, Mr. Garson says the following:

> "When Premier Drew undertakes to tell the people of Ontario what the Ontario Government can do with this $100,000,000 of Federal Government taxes collected in Ontario if the same amount of money were handled by the Provincial Government, he is referring to millions of dollars of taxes which do not come out of Ontario pockets at all. How, therefore, can this proposal of Premier Drew's be reconciled with his pronouncement in the same speech to the effect that Ontario is prepared to share for the common welfare of all the people of Canada the advantages which it enjoys under Confederation? How can the people of Ontario ever become, in the terms of Premier Drew's own language, willing to share these advantages if they are led to think that the inauguration of a national family allowance scheme will mulct them in Federal Government taxes in the sum of $100,000,000 per year, particularly if they are further led to think that this large sum, if translated into the Provincial Treasury in some

"unexplained manner, can provide them with Provincial services beyond the dreams of avarice?"

"In his speech Premier Drew concentrates upon one aspect of family allowances, namely, the cost. He discusses this scheme as if it were merely a new Federal Tax burden to be imposed upon Canada, including Ontario. He ignores the probability that family allowances will so stimulate consumption and employment, and thus so increase the National income of all the people of Canada that they will tend not to increase, but to reduce the Canadian people's tax burden as a percentage of the income which they earn."

Mr. Garson takes sharp issue with the Prime Minister's attitude towards Quebec and says:

"The concensus of informed Canadian opinion is that family allowances, supported by Federal Taxes levied in accordance with ability to pay would undoubtedly effect a redistribution of income as between well-to-do and less well-to-do persons and between well-to-do and less well-to-do communities, and that if this is to be done with any real efficiency in Canada, it must be done on a National scale. If provided properly on a National scale, competent people believe that family allowances could be one of our most efficient depression preventors. This redistribution of income on a national scale would not, as Premier Drew seems to imply, make all of the people of the Nation poorer, or make the whole population of Ontario poorer. On the contrary, competent persons believe that it tends to create conditions which will make the nation as a whole richer. If that is so, Ontario, in the centre of all Canadian business, would be richer, too."

With the greatest respect, I suggest that this coupling of Quebec will not facilitate the solution of the Quebec issues. It is much more likely to impede the solution of the problem in connection with the Quebec issues. This problem will be difficult enough without coupling it up in this way. No other issue in this country is of comparable importance, for social security and national prosperity.

Now, Mr. Speaker, the upshot of this whole

controversy was that our Prime Minister last autumn went into hiding, -- in fact, left the country to find a new issue, -- and he has had little to say about Family Allowances until the opening of this Sessinn, when he made a rather feeble attempt to get out from under. The House will recall that in the early days of the Session I put a very simple question to the Premier. I quoted his August 9th speech, in which he said:

> "I assure you that the government intends to do everything within its power to make sure that this iniquitous Bill does not go into effect, -- we will not concur in any such high-handed procedure by the Dominion government."

I asked the Premier what he proposed to do to carry out his threat, and there was no answer. On February 23rd, the Premier told this House:

> "As to the suggestion that we intend to take any legal steps to prevent the Dominion Act from going into effect, that is not our intention and it has never been our intention."

Well, Mr. Speaker, at that point the gate-keeper at the Valley of Humiliation, I feel quite sure, announced the arrival of George Alexander Drew.

So that the great drama begun on August 9th, turned out to be a farce. The Premier himself resembles the character in Gilbert and Sullivan's "Utopia Limited":

> "A complicated gentleman, allow me to present,
> Of all the arts and faculties the terse embodiment
> He's a great arithmetician who can demonstrate with ease
> That two and two are three or five or anything you please;
>
> An eminent logician who can make it clear to you
> That black is white - when looked at from the proper point of view;
> A marvelous philologist who'll undertake to show
> That "Yes " is but another and a neater form of "No".

But, Mr. Speaker, the August 9th speech lives on in the memory of those who seize every opportunity to malign and slander the people of Quebec and their compatriots in the Province of Ontario. Here is an example. The Globe and Mail of February the 19th quotes Doctor Clarice E. Silcox, a Tory braintruster, as saying:

> "There has been a notable colonization of Northern Ontario points by Roman Catholic French Canadians, under the general direction of the Church, in areas where the main crops seem to be potatoes and children, -- and the potato crop is not very good at that."

This is the same Doctor Silcox who, in speaking of French Canadians, in a pamphlet called "The Revenge of the Cradles" says "they breed while we bleed." Is not that lovely?

Mr. Speaker, I think that all in all the Leader of the Opposition was given to understatement when, in moving his amendment, he said "the government of this Province has not assisted the cause of National Unity."

As I said a few moments ago, the Premier left the country after dropping his August 9th block-buster. And after some weeks, when he arrived in England, we noticed in the press that soon after he was in that country he was in Session with Major Connie Smythe, who later returned to this country to startle us with his charges, without proof, that our battle lines were being reinforced with what was described as "green troops". The Premier came back shortly afterwards and told a press conference that while he had not read Mr. Smythe's charges he nevertheless felt no doubt that they were quite true. Colonel Ralston, then Minister of National Defence, went to Europe to track down the

Smythe charges, and found them absolutely baseless.

MR. DREW: Mr. Speaker, I do not intend to pay the slightest attention, -- on the point of privilege, -- to the absolutely unreliable leader of the Communist Group. But I do resent this statement about one of the finest soldiers and best sportsmen that I know. Colonel Ralston did not say that Major Smythe's statements were untrue. They were entirely true as proved by Colonel Ralston's later statements and resignation.

MR. SPEAKER: We are very pleased to have so many visitors in the gallery but there must be no applause. We do not want to clear the gallery.

MR. McLEOD: I never have been paid so much attention by a man who does not pay any attention to me.

The Premier says that Colonel Ralston did not make the statement which I have attributed to him. I have here a clipping from the Premier's own organ, an organ of the most obscurantist leanings, of October 3rd. Colonel Ralston was asked this question:

> "Did you read Connie Smythe's statement on insufficiently trained reinforcements?"

Colonel Ralston said he had. "He is collecting all the information he can. 'The system is now adequate if carried out,' Colonel Ralston said in discussing reinforcements training. 'All cases complained of are being fully investigated, but I feel they are the exception. If there has been a slip it will be cured. Of course, it must be remembered that the last unit receiving reinforcements is never completely satisfied with the previous training. That holds good all along the line to regiments in the line.'"

That does not look like corroboration of the Smythe charges. I think not.

MR. DREW: Mr. Speaker, I am only rising on the question of privilege to keep the record straight. The Hon. member (Mr. MacLeod) has said that Colonel Ralston said that Major Smythe's statements were not true, while he has said nothing of the kind.

MR. MacLEOD: I have read Colonel Ralston's statement. Now, I hope the Premier will leave me alone.

What followed thereafter from Smythe's statements is still fresh in our minds. It launched the most slanderous and morale destroying campaign in the history of this country. With the man who built the Canadian army being subjected to vilification and pillory by a group of Tory politicians headed by the Leader of the Progressive-Conservative Party, John Bracken, -- Mr. Bracken who has not had the courage to seek a seat in the Federal House, entered the fray and descended to an all-time low, charging that Canadian soldiers had thrown away their rifles, a charge proved to be wholly false by the Defence Authorities.

Let it be said that that story was given to the National Leader of the C.C.F. ~~Ontario Opposition~~, and to his credit let it be said that he refused to use it.

Now, I would like to repeat some words used in this house last year:

> "Those who deliberately set out to undermine public confidence in this critical hour by spreading the corrosive and deadly poison of distrust, envy, hatred and malice for the one purpose of advancing their own selfish interests, deserve only the loathing and contempt of all decent people who believe we really are fighting as a nation to preserve freedom, honour, justice and truth."

Those are the words of the Prime Minister of Ontario

directed ~~against~~ to the Hon. leader of the Opposition last year. They were not true then, but they are true today of the Tory Party, ~~and, if they were true then, they are true to-day of the Ontario political party,~~ and I say they might well become the political epitaph of the Honourable, the Premier, and his national leader.

~~The outcome of it was that the Tories, who had the unmitigated gall to use the resignation of the Hon. Colonel Ralston, the Minister of Defence, won the North Grey election.~~

Now, the absurd aspect of all this is that the Tories, who sought to destroy General McNaughton, had the unmitigated gall to suggest the recall of Colonel Ralston. Has the Premier forgotten the serious charges he made against Colonel Ralston at the time of Hong Kong? If so, let me remind him of what he said. He charges Colonel Ralston had sent green and untrained troops to Hong Kong. Is that not so? It seems most extraordinary that you should want Colonel Ralston back as Minister of National Defence. Mr. Bracken spoke on this question only a few days ago. I quote from the Toronto Star of March the 3rd. Mr. Bracken recalled that General McNaughton had succeeded as Defence Minister Hon. J. L. Ralston, "whose only offence was he asked that trained reinforcements be sent from the only available source, Mr. King's home draft army." Mr. Bracken said the government had used security regulations twice before.

> "At the beginning of the war when troops went overseas without proper equipment the government refused to permit the facts to be revealed. The reason for that security was not the welfare of our troops but protection of the government that had bungled." "The same was true of the expedition to Hong Kong. In that expedition

"men were sent to fight a vicious and crafty enemy without even their basic training completed. The government blocked the facts. And the only reason that they did so was to hide their failure, their inefficiency, their mishandling of an expedition that cost so dearly."

Yet in the light of all that, Mr. Speaker, the Progressive Conservative Party wants to bring Colonel Ralston back as Minister of National Defence.

I repeat that the Ontario Prime Minister was the father of the reinforcements' crisis, and no blood test is required to prove paternity. At least the Globe and Mail gives him full credit for doing the job.

After the Grey North by-election, which the Premier of this province did not enter by the way, neither he nor Connie Smythe, the Globe and Mail gave the Premier full credit for doing the job. After the election was over the Globe and Mail carried the following editorial, and in the leading position. It was headed, "Premier Drew's Contribution," and said:

> "It is not always given to those men who fight for great causes to have their judgments and their actions vindicated by the progress of events and upheld by public opinion. Often times when the vindication comes those who carried most of the burden in the struggle are unapplauded, their labour and counsel forgotten because they did not happen to be marching in the forefront of the victory parade."

It is not strange, Mr. Speaker, that he was not in the victory parade because you cannot get into the victory parade unless you are in the battle; you are not entitled to.

In the same editorial in the Globe, and the other George must have had a hand in this, I think, the Globe becomes absolutely maudlin in its solicitude for its hero. It says:

> "Ontario's premier will know the warmth of the inner glow which brings abundant satisfaction to those who have seen themselves justified. That satisfaction means much more than the applause of the crowd.
>
> "Had he sought applause Premier Drew

> could have pursued itin Grey North. That he did not is reason enough for recalling his unequalled contribution to the victory, one which will stand always as a major service to the Canadian people in the far from completed record of one of this nation's outstanding public men."

All I can say to that, Mr. Speaker, is to repeat what the Premier himself said the other day: "O tempora, O mores," -- Oh Lord, Oh Montreal!

From time to time the Premier has made other vain efforts to obscure his failures by raising false issues. Back in January he took to the airwaves and charged that Ottawa was intervening in the educational system of Ontario, a charge which was categorically denied by the Minister of National Health as well as by the General Manager of the Wartime Information Board, and so far as I know, after Mr. Claxton's rejoinder and Mr. Duncan's rejoinder, the Premier never returned to the attack. But later he came back on the air, not to discuss the failures of his own administration, but to complain that Doctor Frigon had prevented him from telling the people of Ontario of the fine hospital treatment our Canadian forces were receiving overseas. Now if everybody that goes overseas is going to reserve the right of free access to the airwaves on his return to these shores to tell the people of this province what is obvious, there will simply be no end to this thing because any politician can ask to make a speech over the air to tell the people what they already know. After Mr. Frigon had issued a statement defending his position there was no rejoinder from the Premier, so far as my memory serves.

I sometimes think that the Premier, who is supposed to be an expert in weapons, does not know the difference

between a harpoon and a boomerang, because every harpoon that he has thrown in the direction of Ottawa has usually whirled back and hit him right on the chin.

MR. MURPHY: He is still standing up.

MR. MacLEOD: He is still standing up but that just shows how hard he is to knock down.

In an attempt to bolster his fallen fortunes the Premier in latter days is using another device, the Red bogey. It is pretty well moth eaten now, but a desperate politician will try almost anything as a last resort. Of course, it was not new with the Premier. He had used it quite extensively back in the 30's when he returned to Canada from Russia and published a series of articles in The Toronto Saturday Night and in the Tory Toronto Telegram. In passing it might be said that Hitler's decision to make war on Russia may have resulted from his reading those articles.

According to the Toronto Daily Star of October 11, 1939, the Premier is quoted as follows:

> "Colonel Drew suggested that if the German people rid themselves of Hitler there is no reason why they should not become our allies in ridding Europe and ultimately ridding the world of the loathsome poison of Russian communism."

I do not think that was a very intelligent remark to make at that time.

On January 15th last, in an address at the annual banquet of the Ontario Tory party, the Premier said:

> "The time has come to do away with the pretence that these communists represent anything but a subversive element in the community. It is time this was said from the public platform on every possible occasion."

According to the Globe, this statement was greeted with prolonged applause. I can only say, Mr. Speaker, that

the Tories have been known to applaud rather strange things. I will give a sample.

Back in 1934 a man by the name of Magistrate S.A. Jones of Brantford addressed an Empire Club meeting in Toronto. I am ready to stand corrected but I do not think there are many members of the party opposite in the Empire Club. As I look over its roster it looks like a blue book of Toryism to me. This is what the magistrate said in his speech to the Empire Club:

> "Fascism is sweeping Europe because its nations are near enough to see the advantages of Italy's system. Growing fascist movements existed in not less than twelve other countries, including England, which has six different fascist organizations, Lord Rothermere being the latest notable convert."

Then listen to this:

> "If there was a line in the fundamental principles of fascism opposed in the slightest degree to the best ideals of the British Empire I would not even be discussing the matter. Should Canada at any time in the future in its wisdom adopt fascism in whole or in part it is indeed gratifying to know that the old flag would still be ours and that the song of empire, God Save the King, would still be that of Canada."

And according to the volume of speeches published by the Empire Club, that statement was greeted with hearty applause.

I pointed out last session that the Red Bogey had been used by some strange people. I referred to an article in Liberty magazine by a well known American figure who wrote: "Communism is knocking at our gates. We cannot afford to let it in. We must keep the workers' minds clean and unspoiled. We must save them from Red ruses."

Who wrote that? It was Al Capone.

Within the past few months there are some other people who have been using the same Red bogey. Not long ago the hon. member for St. David (Mr. Dennison) went to court to absolve himself of Red charges and it will be recalled that he received a certificate of political virginity and one dollar and one cent.

A few days afterwards the people of the city of Toronto went to the polls and 42,000 people voted for Controller Smith, which is a pretty good sign that this Red business is wearing pretty thin.

MR. DENNISON: Mr. Smith did not run under that label.

MR. MacLEOD: No, but Mr. Sanderson did, and the Globe and Mail did and the Telegram did.

MR. DENNISON: Mr. Speaker, I stopped Mr. Sanderson despite the insults of the hon. member for St. Andrew.

MR. MacLEOD: I will dispose of this question, Mr. Speaker, by quoting something that will not be new to some hon. members of the House, a statement issued a few years back by J. B. Priestley, the famous British author and radio commentator. He said:

> "For twenty years this trick has been successfully worked on us. First you paint a dreadful picture of the 'Reds'. Then you have only to shout 'The Reds' to put an end to any policy that might make your gang uncomfortable. With the result that the biggest political crooks in Europe have been busy protecting us all against the 'Reds' for years now. Nearly every successful move has been blocked by this 'Red' signal. But you cannot fool all the people all the time. Except among stupids the trick is played out. Most people

now would like to see decent and successful action taken for its own sake and never mind the coloured political labels. The people are rapidly becoming realistic in their outlook. This is well, because the gang that everywhere wishes to fool the people has always been realistic. They manufacture legends, but they do not believe them."

Then last of all, this little bit:

"Scene: an enthusiastic London Labour meeting. Star of the evening: The Right Hon.Herbert Morrison,M

"Zealous chairman, working up the heat: "Who got us to 'go to it' after Dunkirk?" Audience roars: "Morrison!"

"Who saved London from burning in '40-'41?"

"Morrison!"

"Who gave us our indoor shelters?" "Morrison!"

"Who started London's Green Belt? Who gave us woods and fields and fresh air?" Little fellow nips in quick: "God!"

Audience (righteously indignant): "Throw him our -- the dirty Communist!"

If the Premier or anyone else in this House thinks they can bamboozle the people by using the Red bogey, they are due for a rude awakening, because it is still true that you can fool some of the people all the time and all the people some of the time but you can't fool all the people all the time. There has been some controversy whether Lincoln or Barnum originated that, but whoever it was it is still true.

The Government now faces a test in this Legislature. It is called upon to give an account of its stewardship. We have heard the indictment by the Leader of the Opposition, extending over several hours, and also the indictment by the Leader of the Liberal Party. I have little to add except to refer briefly to the promises made by the Premier eighteen months ago,which so far he has not dealt with in this House, namely:

Medical, dental and other health protection for all;
Public works to create postwar employment;
Establishment of an Ontario Housing Commission;

Complete revision of the educational system;
Removal of Hydro from politics, lower rates and rural power extensions;
Land reclamation in favourable areas;
Lower general taxes, elimination of duplicate services;
A more efficient civil service system;
Ensure adequate supplies ofmilk, fuel other necessities;
Employment priority for veterans -- men and women;

and, of course, the finest labour laws in the world.

We would like to hear something about these things, but there has been no answer to any of these questions raised by the Leader of the Opposition. It is unnecessary to add to his indictment of the 22 points except for this brief postscript based upon the impressions of a Toronto journalist, who, after attending the session when this debate opened, wrote the following:

> "We noticed that several school children were observing the proceedings from the visitors' gallery under the watchful eye of their teacher. A careful woman this teacher. She listened in grim silence as the Tory speakers lauded the 'program' of their party, but at a certain point gathered her brood together and ushered them out of the gallery. 'Children are so impressionable,' she is reported to have told the elevator man. 'Anything horrible they pick up now is apt to distort their point of view for years to come.'
>
> 'Miss Fotheringay,' one of her young pupils asked, "what did the man mean when he said the Tories had fulfilled their 22 point platform?'
> 'Hush, dear,' answered Miss Fotheringay, 'You are a little too old to be interested in fairy tales.'"

The Leader of the Opposition has moved an amendment to the main motion, and we have a further amendment by the Liberal leader. The points contained in the amendment moved by the Leader of the Opposition are worth repeating. His amendment reads:

"(1) that the attitude of the Government of Ontario towards the Dominion and other provinces has not assisted in creating conditions of national unity;

"(2) that after more than 18 months in office the Government have failed to implement their promises with respect to education, health services and other important matters;

"(3) that the Government have failed to forecast legislation that would assure adequate prices for farm products and security of farm tenure in the post-war years;

"(4) that the Government have failed to recognize the immediate need for legislation that would provide union security and other collective bargaining rights for labour in the post-war years;

"(5) that the Government have failed to accept their own responsibility for planning and organizing the resources of Ontario to guarantee productive employment in the post-war years for men and women now in uniform and for those now engaged in war industries."

The Leader of the Liberal group has moved a subamendment which deals first with the Government's programme of religious education in the schools and secondly condemns the Government's ill-considered encouragement of large-scale immigration. I want to say just a word or two on the first of these two points because I, in common with other hon. members of the House, have been receiving during the past week or so representations from the different sections of the religious communities in Ontario, and I think it is necessary for every hon. member of the House, in so far as it is possible, to state exactly what his position is on this question.

As I understand this subamendment, and as I tried to follow the Leader of the Liberal party, no one is suggesting that the religious exercises which for years

have been a part of our public school system should be abandoned. No one for a moment would propose that, any more than any hon. member of this Legislature would propose that the religious exercises with which we open our proceedings in this chamber should be abandoned. They are exercises of a sort that every hon. member of this House, whether he be Catholic, Protestant or Jewish, can go through without feeling the slightest embarrassment or feeling that his conscience is being interfered with in any way.

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But the form of religious education introduced in the school curriculum by this Government means a very big departure from what has edisted here down through the years. It is now no longer a question of opening the school period with an invocation or a Bible reading; provision is made for religious instruction in the schools. I have been through some of the texts, and they are very disturbing to me. For instance, in one text I saw a statement which says that "Much will be left to the imagination of the people." Now, let us get straight on this, Mr. Speaker. Unfortunately, the Protestant community is far from united; there are a great many denominational differences and divisions, and anyone who doubts that would do well to look at the church page which appears in the "Toronto Press" on Saturday, just to see how many different denominations there are in this city of Toronto, and what is true here is also true of other communities.

Now, suppose you have a situation where the teacher of a given class of children belongs to, shall we say, the British-Israel Federation, with its own peculiar brand of theology, and it is left to the imagination of that teacher, who belongs to that community, to interpret the text placed in her hands. There is absolutely no doubt in the world that her interpretation will do violence to what those children are taught in their own homes and their own churches. It is not only a question of singling out that particular group. There are fifty, seventy-five or one hundred different brands of theology, and if you start teaching theology in the schools you are accentuating religious differences, and will create dis-

unity amongst the children in our public schools. I think the sensible course for this Government to have pursued in this matter was to take this Legislature into its confidence when it felt that some changes should be made in these religious exercises and that a Select Committee of the House should have been appointed to confer with the leaders of the different denominations, to work out the kind of religious instruction which will be acceptable to the whole church and religious community, and will not do violence to the consciences of the minorities in this city, who are, under present regulations, being subjected to humiliation by having to leave the classrooms when this instruction begins.

Now, Mr. Speaker, I share the opinions which have been expressed about the speeches made by the hon. Prime Minister during his visit to England and the book which was so widely distributed, "Ontario, the Heart of the New World." I understand that thousands, if not hundreds of thousands, of copies of that have been distributed, and I, for my part, cannot see how anyone reading that part could stay out of this country; they would really want to come here in a hurry.

And, as I read some of those speeches reported in the "London Daily Express", where the hon. Prime Minister said, "Let them all come," I was reminded of the statement made a few weeks ago by a gentleman in Vancouver, the head of a new party, who said, "Let us double the population, and you will cut the public debt and taxes in half; everybody should be brought into this country, except the Japanese, until there are three hundred million people in North America, and Canada and the United States become a

single republic; all the people from the Old Country can come over on the first boat."

MR. MITCHELL F. HEPBURN (Elgin): That must be the "Mayflower".

MR. MacLEOD: That would be just lovely --

SOME HON. MEMBERS: "Some boat!"

MR. MacLEOD: Yes, "some boat"; that is right.

Well, Mr. Speaker, to conclude, the hon. Leader of the Opposition (Mr. Jolliffe), in dealing, last year, with the question of what constituted a vote of no confidence in this House, said as follows - and I am quoting from the record of this House:

> "I am authorized to state on behalf of the CCF members that if, on any division in this House the Government fails to receive a majority, the result will not, so far as we are concerned, constitute a vote of no confidence in the administration, unless it is so stated on our behalf prior to such a division; that, so far as we are concerned, the question is not one of confidence or no confidence."

Now, Mr. Speaker, in moving his amendment now before the House, the hon. Leader of the Opposition (Mr. Jolliffe) said -- and again I quote from his speech:

> "And now, at the outset of this Session, with the end of the war drawing swiftly near, we find nothing in the Government's Legislative programme to suggest that it is seriously prepared to deal with problems a post-war crisis will bring upon Ontario. We have no confidence in such a Government. We take our stand against the forces of reaction represented by the Conservative Party."

And the hon. Leader of the Liberal Party (Mr. Hepburn), if I remember correctly, took about the same position.

Now, while I very much regret that these words were not incorporated in the amendment, I think we can assume that the two amendments are calculated to defeat the Government. That, at least, is the view of the new Commonwealth, the official organ of the CCF. In the issue of March 1st, it said:

"CCF's to force showdown with Drew. Jolliffe challenges Drew Government. Moves want-of-confidence amendment."

"The first open challenge to the Drew Government in the 1945 Session of the Ontario Legislature was delivered last week by Ted Jolliffe, Leader of the Opposition. Speaking in the debate on the Speech from the Throne, the CCF leader moved an amendment, which was a straight motion of no confidence in the Government."

Now, Mr. Speaker, with an amendment and a sub-amendment before this House, I am in no position, and cannot, under the rules of the House, move an amendment until the sub-amendment is disposed of. When this is done, and if the circumstances are such as to permit it, we shall move an amendment which will remove all ambiguity from the first amendment offered to this House, for we have no confidence in this Government, absolutely none.

For my part, I can only describe this Government and its Leader as "a disaster looking for a place to happen." That is my description.

Now, let me say to the Opposition members, that we are all called upon to make an important decision in the next few days, and that is a decision which stands far above any differences that we may have, and we have differences, of course. There are times, however, when life, itself, brings us together, just as a fire in a home can sometimes reconcile neighbours. But the thing we have to remember is this, that the Tory Party is in power, - the Tory Party is in power. And this is the beachhead which they intend to expand to a bridgehead, with Ottawa as their final objective.

A few days ago Mr. Noseworthy, M. P. P. for South York, said, and I quote from "The Toronto Daily Star":

"There is no end to which the Progressive-Conservatives wandering Leader --"

And he might have said, "The peregrinating apostle of gloom," as the hon. Prime Minister referred to the hon. member for Brant

~~as the hon. Prime Minister referred to the member for Brant~~ (Mr. Nixon) last year. Mr. Noseworthy goes on to say:

> "The Progressive-Conservatives' wandering Leader will not go to win the next election. The Grey North by-election is indicative of their plan of action."

Now, Mr. Speaker, I do not want to make anybody mad, and I am not going to make you mad --

MR. ARTHUR WILLIAMS (Ontario): You are too modest.

MR. MacLEOD: -- but I have here a copy of the "Maritime Commonwealth", the official organ of the CCF in the Maritime Provinces. Why this had to come from my part of the country, I don't know, but this is what it said:

> "The election of Tory candidate Garfield Case, over Liberal McNaughton, and CCF Godfrey, in the Grey North by-election, comes as a resounding defeat to Mackenzie King's bungling man-power policy" --

period. Now, listen:

> "This is of satisfaction to the CCF, which has consistently criticized the Prime Minister's conduct of war, and called for conscription of wealth, along with men."

Now, if I understand that correctly, (and I am not gifted in following all the little twistings,) it says that the election of Case and the defeat of McNaughton, and, yes, even the defeat of Godfrey, is of satisfaction to the CCF, which has consistently criticized the Prime Minister's conduct of the war, and so forth and so forth.

Well, maybe the editor of that paper was up late the night before. Frankly, I do not think my hon. friend from Ontario (Mr. Williams) is happy that Case was elected; I know he is not. I do not think anybody else is glad that he was elected. I am sure of it. It could not possibly be.

Now, this is where I find it a little difficult to follow the workings of the minds over there. Two or three times during this Session, when the fire was directed against

the Bourbons on the Government benches, some of the hon. members over there, somehow or other, managed to get up and make it appear that the hon. member for Elgin (Mr. Hepburn) was the Prime Minister of Ontario. And the hon. member for St. David (Mr. Dennison) started to read some clipping about what the giraffes got to eat back in the thirties --

MR. DENNISON: Some people may have forgotten that.

MR. SPEAKER: Order.

MR. MacLEOD: Let us keep the record straight. During the years that the Liberal Party was the Government in the province of Ontario, there was no one in this province who outdid some things that that Government did.

MR. ROBERT H. CARLIN (Sudbury): You are telling us?

MR. MacLEOD: My hon. friend from Sudbury (Mr. Carlin) -- I don't know what the hon. member was doing to liven up the proceedings.

MR. WILLIAMS: It was getting very dry.

MR. MacLEOD: The hon. member from Sudbury (Mr. Carlin) spoke a couple of times since this Session began, and I do not know whether there was something wrong with me, but when he mentioned Kirkland Lake he always seemed to throw a "dirty look" in my direction. Now, I have known the hon. member for Sudbury (Mr. Carlin) for a long time. He is not called upon to do this now. Surely the hon. member (Mr. Carlin) would not suggest that I, and those with whom I am associated, did not support the Kirkland Lake miners in that strike; surely you cannot suggest that you, yourself, did not come to me on several occasions and invite me to go up there and speak at the mass meeting; surely you would not deny that the paper of which I was editor at the time raised

thousands of dollars for that fund, and that I, myself, made a national tour of this country, raising money for the Kirkland Lake Strike Defence Fund.

Then the hon. member for St. David (Mr. Dennison) spoke the other day about the Lakeshore incident. Well, my goodness, unless my memory is faulty, we had an awful lot to do with the Lakeshore Committee. It was my colleague, Mr. A. E. Smith, the father of Controller Smith, of the City of Toronto, who went out and raised the money to pay for the defence of those men, and we roundly denounced the Government for its attitude toward those people.

MR. DENNISON: Even the hon. member from Elgin (Mr. Hepburn)?

MR. MacLEOD: Yes, even the hon. member for Elgin (Mr. Hepburn), of course.

MR. JOSEPH B. SALSBERG (St. Andrew): And how!

MR. MacLEOD: But, Mr. Speaker, let us have a little luck. The hon. Leader of the Opposition (Mr. Jolliffe), the other day, in his opening remarks, paid tribute to the gallant exploits of General MacArthur in the Philipines. Now, if you are going to always be consistent, the proper thing for him to have said was that General MacArthur is making great progress as he moves toward the Japanese mainland, but let it not be forgotten that the same General MacArthur was the same man who used tear gas against the bonus marchers in front of the White House in the thirties.

And, to carry it a bit further, when you praise the statesmanship and the courage of Prime Minister Churchill, and you want to complete the picture, some very

harsh things might be said about Mr. Churchill's attitude toward the British Union Movement in earlier days. But we do not do that. But I want to say that I think the hon. member for Elgin (Mr. Hepburn) would have to "go some" to match the record of many other people whom we applaud on the basis of the position they take to-day.

D-4 So far as I am concerned, while, philosphically, and in the wider sense, politically, there can be no meeting point between myself and the hon. member for Elgin, nevertheless I welcome the fact that the hon. member for Elgin is taking his stand against the Tory Government in the province of Ontario.

Now, in regard to the reference which the hon. Prime Minister made to the "Communist Pup", (and that must have made the hon. member for Kent East (Mr. Thompson) squirm in his seat,) can anybody imagine a man who has such backward views toward trade unions, —and they are backward, I am sorry to say; they are paternalistic, — can anybody imagine a man so backward that he should be a "Communist Pup"? And imagine anybody trying to pull a string at the hon. member for Grey South (Mr. Oliver); you would really break your fingers, would you not? That would be a very hard job.

Well, Mr. Speaker, the whole point is this: this country of ours has had some very bitter experiences. We had them back in the hungry 'thirties, as the hon. member for Ontario (Mr. Williams) knows, when he was the Leader of the East York Workers' Association; we certainly had them under Right hon. Mr. Bennett, with his self-described "iron heel of ruthlessness" -- and Section 98; we had them at the time of the Ottawa trek, when ten years ago one

hundred lads climbed on top of box cars placed at their disposal by the Canadian Pacific and the Canadian National Railways, and started to move toward Ottawa, to ask for common, ordinary justice. And we remember what happened to those boys on the 1st of July, 1935, when they were attacked in the city of Regina, and when one doctor, Mr. McLean, a former leader of the CCF, whom, I understand, is now out of the province, said that he removed twenty-four bullets from those boys that night. You know where we stood on that question. You know of the leadership given to those boys on that occasion by Jack King, a pilot officer, who lost his life in the war, by Arthur Evans, and by Matt Shaw, now serving with the Royal Canadian Air Force overseas.

But we do not need to stop at the events of the 'thirties. I sometimes think that the Tory party in Canada has the collosal gall to attack the war administration of this country, when we recall the Ross Rifles of the last war. I know something about them, because I used them, and carried them. Also, we know about the paper shoes, the blind horses and shady elections --

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I will have to take back what I said about not listening. I was listening to the hon. member for Bellwoods (Mr. MacLeod), and may I say that the speaker should remember that the Ross Rifle Company was formed under the administration of Sir Wilfred Laurier and the Liberal Government.

MR. MacLEOD: I do not care who formed it. I know that the Ross Rifle scandal was attributed to the Borden Administration.

MR. DENNISON: That was a coalition government.

MR. MacLEOD: Even if it was a coalition government, that does not alter the indictment a bit, not a bit.

I say that as we recall the war record of the Tory Government in the last war, and the effect of the Bennett administration, we can say that under the ashes of those bitter years are hot coals of remembrance. The people of this country remember that, and the people of this country are not going to permit a return of that kind of government after this war is over.

Surely no worse fate could befall this country than a return to that kind of reactionary rule. To avert such a disaster, the Opposition members in this Legislature have to have the courage to take that action which will disrupt and destroy the plan that the Tories have for returning to power.

Now, what happened here on August 4th, 1943? In that election the Tory Party polled 469,672 votes, a little over 31 per cent; the CCF Party polled 418,520 votes, or a little less than 32 per cent., the Liberal Party polled 409,307 votes, a little more than 31 per cent., and then there were smaller groups, making a total of 1,313,938 votes, which means that the total votes against the Tory Party on August 4th, 1943, were 844,266, or over 64 per cent.

Now, in this Legislature, the Opposition members are fifty-two, and the Government members are thirty-seven, and if this Government should be defeated when these amendments are put to a vote, then I say the honourable thing for this Government to do is to resign,-is to resign. No election is necessary; there is a basis, in this legislature, for an alternative government, and this Parliament can live out its full term.

The hon. Prime Minister made some very eloquent remarks about not wanting to be forced into a provincial election, the other day, — no wartime election, — but how does he square that with what John Bracken said on the Air, the other night? He challenged the Federal Government, and demanded that an election be held now, and accused the Right hon. Prime Minister of this country of cowardice and lack of courage to go to the country.

I want to say that I am not impressed with the hon. Prime Minister's strictures against another wartime election. If he thought he could carry this province on what the hon. member from Elgin (Mr. Hepburn) has properly called "a devil's brew of racial disunity," he would not hesitate a moment to seek a dissolution of this House now.

But I repeat that an election is quite unnecessary. It is the duty of this Legislature, in my opinion, to inform His Honour that the Government no longer enjoys its confidence, and recommends the formation of a new administration to serve out the life of this Parliament.

Now, what could such an alternate government do? It could do all the things this Government has refused to do.

First of all, such a government would stand, first and foremost, on a policy of national unity for victory over the enemy; the avoidance of any action or policy that would arouse racial, religious or sectional controverysy.

(Page No. 1096 follows.)

2. It would utilize the fullest use of the powers of the Province, within the existing Constitution, to prepare Ontario for full employment after the war, and the utmost co-operation with the Dominion Department of Reconstruction in all its plans to achieve this.

3. It would establish a broad Ontario Reconstruction Committee, representative of government, management and labor to direct the re-employment of veterans and war workers, with power to act toprevent any decline of industrial production as war contracts cease.

4. Such government could apply the 8-hour day, 5-day week without reduction of pay, to all industry immediately after the war; a mandatory two-week paid vacation for all employees.

5. It could guarantee the security of tenure for Ontario farm families, through floor prices, subsidies and assistance to co-operatives; a government plan to check the growth of landlordism and tenancy in Ontario agriculture.

6. It could take immediate action to enable the commencement of large-scale public works such as the St. Lawrence Seaway, reforestation, schools and hospitals, community centres and highways, as war production declines.

7. It could assume responsibility for the adoption now by the Legislature of Ontario's plan for post-war taxation reform, to be proposed to the coming Dominion-Provincial conference. Such a plan should be based on the broad principle that social legislation such as Family Allowances must be Dominion-wide in character to be effective, and the Province should now prepare to re-allocate certain taxing powers to achieve this end.

8. The Municipal Act and the Assessment Act should be changed to encourage municipal post-war planning and housing projects. The Province should assume all relief costs now borne by the municipalities and should set itself the aim of relieving the

municipalities of all the direct costs of education within the shortest period.

9. The establishment of an Ontario Housing Commission by an Ontario Housing Act to organise a great re-housing, slum clearance and town planning programme, in co-operation with the Dominion, and to co-ordinate the activities of the municipalities.

10. Non-contributory old-age pensions at the rate of $40 monthly.

11. One hundred per cent workmen's compensation.

12. An Ontario Labour Relations Act to provide union security and collective bargaining for all Ontario workers.

13. Full support to the proposed Dominion Health Insurance scheme; the free hospitalization of maternity patients and similar health reforms pending the enactment of national health insurance.

14. The establishment of a Department of Youth and Recreation to supervise the welfare of young people, to provide physical fitness and recreational facilities and to assist vocational guidance.

Therefore, I say that we have a solemn duty, if we mean what has been said in all the speeches made, and if the amendments now moved mean what they say, and say what they mean, the only honorable course is for us to defeat this Government and assume responsibility for the affairs of Ontario.

Page 1103 follows.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, as the Member of Government charged with the responsibility for the administration of the Department of Health of this Province, I rise to take part in the Debate on the Speech from the Throne. In speaking to you as Minister of Health, I wish to deal with the remarks of the Honourable Leader of the Opposition that are pertinent to health, to report the progress that has already been achieved by the Department, and to outline our plans for the immediate future.

At one point in his remarks, the Leader of the Opposition had this to say -- and I quote: "I wish to make it perfectly plain at the outset that it is not being put forward in any partisan way but as a constructive suggestion which we hope will be seriously considered." Mr. Speaker, I wish to use those same words in regard to my own comments. The problems for the improvement of health can only be solved by a rather complete understanding of the difficulties involved and the ways in which improvements can be made.

From the speech of the Honourable Member for South York, I do not believe that he appreciates the complexity of this problem. He challenges the Government "to give the system of socialized health services and its rival systems a fair trial" by setting up demonstration units in which there would be a programme of socialized health services in one, an implementation of the proposals in the Heagerty Report in another, and a continuation of existing services in a third. I presume that this challenge has been put forward in good faith and for the purpose of scientific experiment. There are, however, a number of difficulties that must be taken into account in considering such a proposal. I wish to draw the attention of the House to these difficulties, which are apparent to me as Minister of Health for this Province and

as a medical practitioner.

I know of no one with any knowledge of the subject who is satisfied with health services as they are at present. The deficiencies of the present system are so well known that further study, in a defined area, would only be a waste of time. The proposals of the Heagerty Report have merely come forward from a committee, which now seems to be in considerable doubt as to whether or not its proposals could be applied to any area.

The Leader of the Opposition asks that "socialized health services" be set up in a selected area. While listening to his speech, I visualized socialized health services as a defined entity. I am now informed that this term covers the preliminary recommendations of the Planning Committee for Health Services of the C.C.F. Party, contained in a book of some 52 typewritten pages. I find that, in the main, this book is based upon the preliminary recommendations of the Medical Planning Commission of Great Britain, published in 1942, and the Report of Dr. Sigerist of Johns Hopkins University upon his findings in Soviet Russia. The Medical Planning Commission was not committed to its proposals, but was prepared to re-examine them in the light of the subsequent discussion. The Commission decided, in 1944, to bring its work to an end without issuing a final report. The value of Dr. Sigerist's observations on the Soviet system, in its application to Canada, can best be shown by the procedure in Saskatchewan. Dr. Sigerist was employed by the present C.C.F. Government in that Province to conduct a survey of health needs. He did not recommend the adoption of any defined system. The Saskatchewan Legislature acted upon these recommendations by amending The Public Health Act and adding

The Health Services Act to the Provincial Statutes. This Act provides that a Planning Commission undertake:

1. To determine the cost of providing for health services with respect to which recommendations are received by the Minister, and recommend to the Minister ways and means of financing these services;

2. To work out in detail the needs of one or more health regions, to determine the health services required to satisfy the needs of regions and the cost of such services; and

3. To plan a scheme of compulsory health insurance for the population of one or more urban centres.

In other words, Saskatchewan followed the lead given by this administration in this Province a year ago.

It should now be perfectly obvious that, irrespective of what systems may be in operation elsewhere, we cannot transplant those systems in toto to this Country or to this Province. Our requirements demand that we take the best principles accepted elsewhere and apply them to our problems here. That has been the policy of this administration.

A complete health programme includes these three main divisions:

(1) Public Health;
(2) Medical Care; and
(3) Cash Indemnity.

We have been concerned with all three of these main divisions. We have sought, through fact-finding and the construction of individual "bits and pieces", to set up that portion of a complete programme now possible and to determine the next steps. We are now in a position to place before the people of this Province a blueprint of our present services and a chart of the course that we intend to follow.

The term "Public Health" is one which denotes a service for the prevention of illness and the safe-guarding of good health. This service requires positive action in the fields of hygiene and preventive medicine, by established

agencies of government and paid for by taxation. The Statute containing our authority to do this is The Public Health Act of this Province. Our Public Health Act had its origin some six years after Confederation. Many amendments have since been added to it. Its present form, therefore, might be considered to be cumbersome, but its principles are accepted here, as similar measures are accepted elsewhere--even in Saskatchewan--as the very cornerstone upon which to build a good state of health. The Provincial Department of Health administers this Act in co-operation with the Health Departments of the Municipalities.

The present Ministry of this Province has undertaken to improve the public health programme, in administration, in service, and in the method of financing its cost. An adequate public health programme demands improved administration in the local area. This is being accomplished by townships and small urban centres combining into County Health Units. Plans have been completed for the establishment of some 70 units on this basis. These, together with an adequate full-time service in the larger urban municipalities, will provide the complete basis administration.

The financing of public health services is by taxation. These funds are obtained in the local area from real estate and by the Provincial Government from Consolidated Revenue. The basic service, such as I have described, costs a total amount of $1.00 to $1.25 per individual per year. This Government is assisting the establishment of the County Health Units by paying fifty per cent. of this cost. In terms of the mill rate, I would like to point out that this service can be brought to a county at a fraction of one mill. The usual rate is between one-half and three-quarters of a mill.

The public health programme in this Province provides a local service which may be defined under five headings:

1. The advancement of public health education;

2. The prevention of acute and chronic communicable diseases;

3. The control of sanitation, particularly in respect to sewage disposal and a pure water supply, and the control of hazards in the production and handling of food;

4. The conduct of a programme of maternal and infant hygiene, in co-operation with the family medical adviser; and,

5. The ministration of a programme for school children. In this connection, I would like to point out the principle for dealing with special groups within the larger group of the community. Our children represent our most priceless natural resource. In the pre-school period, they will receive the maximum amount of attention and service that it is possible to render in their homes. At the school-age period, they have left their homes and gathered together with others in a new environment for a major portion of their time. This grouping is important for two reasons:
(1) Certain hazards, not encountered in the home, can come into being in such groups; and, (2) their very presence as a group makes it possible to bring to them especially the maximum preventative services that medical science has made possible.

The Leader of the Opposition chided the Government for not mentioning anything about children in the health programme, whereas in reality there is a definite programme for them as part of the community health service. Demonstrations of this programme have been in existance for some time.

The previous administration established programmes for school children in some of our Counties. These programmes, though limited to one section of the population, have made it possible to give the general population a better understanding of what is specifically meant. The school child programme is, therefore, incorporated into the basic community service in the new Health Units. In this connection, the County of Oxford should be commended, together with other County Councils, Women's Institutes, and the Federation of Agriculture for their close co-operation with the Department of Health.

To conduct an effective basic programme, a full-time staff is required. Such a staff comprises medical officers of health, public health nurses, sanitary inspectors, and psychological workers, together with the necessary office personnel. It is just as important to have this technical staff trained in the specialty of public health as it is in any other specialty of medical practice. Satisfactory arrangements have been made for such training and to give financial assistance in this regard.

In addition, the basic unit will require the services of a dentist, with post-graduate training in the preventative field. At the present time, plans are under way whereby it is hoped that the Department, in co-operation with the authorities of dentistry in this Province, may be able to work out the requirements in this field and to provide the necessary personnel. The services of such a dentist in the preventative field are confined to the programme of pre-school and school child hygiene.

In order to render the maximum assistance to the local unit plans have been made for the decentralization of the Provincial service. The Divisions of the Department of Health that have a pertinent place in this programme are: Epidemiology; Maternal and Infant Hygiene and Public Health Nursing; Laboratories; Sanitary Engineering; Mental Hygiene; Tuberculosis Control; Venereal Disease Control; and Industrial Hygiene.

Since the inception of the Ministry of Health in this Province in 1925, all these Divisions have made notable contributions to their respective fields. In Ontario, there has been a definite and continued improvement in the maternal mortality rate. In 1943, the year for which the last complete

figures are available, Ontario's rate was the lowest in the Dominion. The maternal death rate per 1,000 live births for Canada was 2.8, Ontario's rate was 2.2. The death rates of children under one year, per 1,000 live births, for the year 1943, for Canada as a whole, was 54, for Ontario, 42. In 1943, measles held first place as the most prevalent acute communicable disease. The highest death rate was 3.4 per hundred thousand population in one of the Provinces; Ontario had the lowest figure, 0.8. The figures for diphtheria show that the highest death rate in any Province in Canada was 9.2; the lowest rate was in Ontario, 0.2. In the chronic diseases, the highest death rate for tuberculosis in Canada in 1943 was reported as 82.3 per 100,000 population, with Ontario having the lowest death rate of 28.8. A complete statement of the situation regarding veneral diseases in Ontario will be made at another time. In summary, however, I would like to point out to the House that the rate of syphilis of all types, reported in Ontario during 1943, was 180 per 100,000 population. The incidence during 1944 is given as 141 per 100,000 of population, a reduction of 21 percent.

MR. H. CONNOR (Hamilton East): Thanks to the C.C.F. May I ask a question? We made the remark last year that venereal disease was a economic question and the medical health doctor, or the hon. Minister of Health took violent exception to connecting them. But, I see by the Press he has admitted it now.

MR. SPEAKER: What is the question?

MR. CONNOR: The question is, does he agree with it now?

MR. VIVIAN: The hon. member has not asked a question. The comment which he makes is totally off the point. The reduction of incidence of venereal disease in this Province has nothing to do with the incidence of economic prosperity

and the same was true during 1942 and 1943, as it was in 1944.

While I do not expect the hon. member to realize the implications of what has happened, for his future information it might be important that he should study the ways in which this reduction has been accomplished.

MR. CONNOR: Would you like me to quote from one of your speeches?

MR. SPEAKER: I would like you to obey the rules of the House.

MR. VIVIAN: I am not, at this time, going into the necessity for an improved mental hygiene programme in this Province, nor do I propose at this time to deal specifically with each of these Divisions of the Central Department, but I wish to indicate to the House the way in which these services can be made more effective to the individual resident in his own locality. Plans have been formulated and some action has been taken for the decentralization of services. For this purpose, the Province has been divided into regions. Such areas of the Province contain between 150,000 and 250,000 people. This represents a grouping of a number of individual Health Units. Regional services, furnished by the Department of Health at Provincial expense, include

laboratory services; sanitary engineering, food control under the direction of an officer trained in veterinary science; a prevention programme for chronic communicable diseases - such as, tuberculosis and venereal disease; industrial hygiene and medical programmes; and supervision of public health nursing. The personnel required for the staff are specialists in their particular fields, including psychiatrists for service in the Mental Hygiene Clinics.

In addition, there are three aspects of the Central Department's programme worthy of mention. Health education is a primary requisite to the improvement of health. This service is being revised and augmented, so that the people of this Province will be enabled to receive accurate and factual information upon topical subjects from an authoritative source. The second notable advance will be in the service that can be rendered on the subject of nutrition. During the past few years, the science of nutrition has made rapid progress. There is, however, no definite and precise measurement of quantitative nutritional requirements. The Provincial Department is deeply concerned with interpreting nutritional requirements to the public in terms of food. They will be assisted in so doing by the consultant services of outstanding physiologists and by the very valuable experience which has been gained by our armed forces during the war. Acute communicable disease is no respecter of geographic boundaries. To further the already excellent record of the prevention of communicable disease in this Province, the Division of Epidemiology in the Central Department stands ready to act in the capacity of "shock troops" to assist either regional or local staffs to control these hazards. This is

particularly true in such diseases as infantile paralysis.

There is a new development in the field of Industrial Hygiene that represents another pioneering endeavour by this Province. Ontario has been singularly fortunate in the very able individuals who have been associated with the Department of Health in its Industrial Hygiene Division. They have been recognized, not only in this Province, but throughout the Continent, for the work with the Workmen's Compensation Board and the Factory Branch of the Department of Labour, for the protection of the worker from the hazards of his occupation. In this new endeavour, I know of no more capable staff to undertake the task than those who have remained with the Department of Health through several administrations.

I have mentioned previously the principle of providing a service for a special group within the larger group of the community. Industry is another example of such a group. It is now proposed to expand our present Industrial Hygiene programme. This will only be possible at the beginning through two or three demonstrations. These demonstrations are for the purpose of showing the benefits that do occur by bringing an improved type of preventative health service directly to industrial groups. The improved health of the employee is reflected in less absenteeism, a reduction in lost wages, more effective work, and improved industrial relations. The interest that is stimulated in employees in maintaining their health is reflected in their homes and in the community.

Some larger factories now have such services, but the demonstration contemplated, with Government assistance, is an extension to smaller industrial groups where little or no service exists at present.

Cancer is not a communicable disease. It does, however, rank second in the present causes of death of the people of this Province, and, as such, it presents a major problem. May I pay tribute to a previous administration of this Province in setting up an Act authorizing the establishment of a Cancer Treatment and Research Foundation. It was not their privilege to implement this Act, through circumstances which were definitely beyond their control. That privilege has been one for this administration. The Cancer Foundation was established last year. The programme, in its broad aspect, will provide for an improved service in the seven Cancer Clinics of the Province, which will enable them to undertake diagnosis and treatment of this condition, irrespective of the individual's capacity to pay.

Mr. Speaker, it should now be obvious that this administration has complete plans for its programme in the public health field. The successful conclusion of the war and the return to civilian life of so many of our medically trained men and women, together with new graduates, will make it possible to complete the major portion of this programme in five years after the conclusion of the war. May I, therefore, say, with all respect to the Leader of the Opposition, that there is a defined time at which this programme can come into full operation. Evenwith the substantial start it will take time. This time is not twenty years; it is more likely to be ten years; it could be within five years if those factors over which we have no control should bring this most dreadful war to a successful conclusion in the immediate future.

The second main division of any comprehensive health programme is medical care. By medical car, I

mean the treatment which is undertaken for the alleviation or cure of illness in the affected person. Curative services are a matter of individual concern. This administration recognizes its responsibility to undertake, on behalf of the people of this province, the fullest investigation of medical care problems, with a view to establishing in Ontario the best medical care programme that can be produced.

The Department of Health has undertaken in this field a fact finding survey regarding facilities, services, and the financial arrangements that might be made for payment. The first step in this regard was taken in the autumn of 1943 by the Joint Study Committee on Hospitalization. At the same time a study was commenced on how such hospitalization, when available, could be brought to the people, by a better method of payment. That was the beginning of the procedure which subsequently developed into The Municipal Health Services Act. This Committee and the Advisory Committee on Hospitalization have informed me that their reports will be ready within the next two months. It is contemplated that these reports will contain recommendations for hospitalization on a regional basis to provide for active, chronic and convalescent patients.

To find a way to improve diagnostic facilities, a Medical Committee has been appointed. The terms of reference of the Committee are to investigate and to report to the Minister of Health in respect of any measure which should be undertaken for the improvement of the diagnostic facilities available for medical practitioners, particularly laboratory and x-ray. The

Committee is free to obtain the assistance, advice and opinions of any organization or person in the province and may, if necessary, seek further assistance elsewhere.

In my opinion, this is one of the most important developments under consideration in the Department at the present time. It is fully expected that their preliminary report will be submitted at the same time as the reports of the Committee on Hospitalization. A more favourable distribution of medical personnel throughout Ontario is dependent upon the establishment of adequate facilities for hospitalization and diagnosis. The very establishment of these facilities will go a long way to making it possible for many areas now inadequately served to have the services of competent and well-trained medical people.

At this time I would like the House to clearly understand the financial aspects of a medical care programme. Subsidy from taxation will make it possible for facilities and personnel to be more adequately distributed throughout the province, will provide a greater measure of financial security for those rendering the service, and can bring to the individual recipient such services at a lower cost if the procedure is mutually acceptable to the giver and the receiver of such service.

The problem is the type of arrangement that must be made between the medical practitioner and the people who are to receive his services. Medical practice must not be jeopardized by any regimented procedure which would destroy the peculiarly individual qualities of the medical man himself. The method must also allow the patient the

widest possible choice in the selection of the family medical adviser. I am quite certain that the solution of this problem can come from the medical profession itself. They are just as anxious as any individual, or any group of individuals, to see an improvement in medical practice. It is their task to assure themselves and us that such arrangements of a financial nature will meet the full requirements.

If the cost of services for a medical care program are to be subsidized by taxation, then a method must be provided for the levying and collection of such tax. While the matter is open to debate, it is generally accepted by health authorities and others, such as the International Labor Organization, that individual contributions to plans of this sort are of prime necessity. It was recognized by this House last year that, if individual contributions are to be collected, the only level of government capable of so doing is the municipal one. This was the main principle for The Municipal Health Services Act. This Act is simply an instrument by which a health program can be developed on a tax basis. Its scope is sufficiently wide that almost anything can be done in the promotion of a medical care program. And again I would mention that this principle has been accepted by the prewent Government of Saskatchewan in the passing of their Health Services Bill.

At another time I will present the Report of the Ontario Municipal Health Services Board, but I wish at this time to draw the attention of the House to the fact that the Board is in itself a Planning Commission, made up of representatives of those giving and those receiving the service.

Their recommendation is to establish certain demonstration units within the Province for purposes of fact and cost finding.

The third part of a complete health program is a cash indemnity to an employed individual, not protected by other means, to compensate for lost wages at the time of illness. This proposal has made its appearance in almost all of the many submissions on health plans. So far, no one in Canada has been prepared to fully investigate the pollibilities of providing such a service. This Government has undertaken to fact-find in this connection.

We have in Ontario a Workmen's Compensation Board, which, through successive administrations, has made a notable contribution to the welfare of labour. Their specific task is the administration of The Workmen's Compensation Act, Such administration has provided a wealth of information, and the Board is in the fortunate position of having highly trained statistical and other staff to interpret it. The Workmen's Compensation Board has been asked to undertake a survey to obtain information regarding the possibilities for the payment of cash indemnity for illness to certain groups of employed individuals in this Province.

The Minister of Labour and the Chairman of the Board have very kindly consented to co-operate with the Department of Health in this undertaking. I wish to make it quite clear, and I am sure that the Minister of Labour desires that I do so, that all that is being requested of the Board and its officials is such information as I have just outlined. This will be done without cost to the Workmen's Compensation Board. When such findings have been produced, there will then be an opportunity to discuss the matter with representatives of

industry, both employer and employed.

And so, Mr. Speaker, while the Leader of the Opposition "regrets that the Government have failed to implement their promises with respect to health services," I wish to point out that this administration has undertaken:

1. To ascertain the facts upon which a policy can be based regarding cash indemnity for illness.

2. To determine the best way of providing hospitalization and diagnostic service, and to determine the best method of payment for services by setting up suitable demonstration units.

3. Complete plans have been made for the implementation of a public health program, of which Dr. John Ferrell of the International Health Services of the Rockefeller Foundation has this to say : "Your scheme, in my opinion, is excellent and, when fully materialized, your Province will have undoubtedly a health service unmatched in any large rural province or state."

Two new health units have been set up, three more applications are on file ad in a number of others the principle has been accepted. The implementation of this plan will go forward as quickly as personnel can be found and trained. The training facilities have already been arranged.

These undertakings, in addition to what has been accomplished in other Departmental activities in (1) the program for the treatment of early mental disturbances in general hospitals; (2) advancements in Mental Hygiene; (3) a building program for a new type of mental institution; (4) the extension of diagnostic facilities in tuberculosis control; (5) the promotion of additional tuberculosis sanatorium accomodation; (6) the control of venereal diseases; (7) the provision for the treatment of cancer; (8) the Industrial Health program; and in (9) the planned survey for the protection of food, may, in the opinion of the Leader of the Opposition, be a "mere nibble at the fringe of one of our greatest problems," but I beg to submit, Mr. Speaker, that a substantial majority of the people of this Province will consider such a nibble to be quite a bite.

MR. OVERALL: Mr. Speaker, may I ask the Minister a question, with your permission? I would ask whether the arrangement at St. Joseph's Island satisfies the principles which the Minister has outlined.

MR. VIVIAN: If it is the desire of the hon. members of the House to enter into a complete discussion of all the difficulties of medical care in this province, I am quite prepared to take the necessary time. The St.Joseph's Island programme is not a municipal health service scheme because it is paid for on a voluntary basis. I shall be glad to discuss that question with the hon. member at some other time.

MISS MACPHAIL: Mr. Speaker, if I may be allowed to ask a question of the Minister, he said that two health units were set up. May I ask where they are.

MR. VIVIAN: One was previously in existence. The others are in the Porcupine camp at Timmins and in the Kirkland Lake camp.

MR. MITCHELL: The Minister has referred to sanitorium accommodation for tuberculosis. Was he speaking of the future or has he already made ample provision for these patients?

MR. VIVIAN: I am afraid that the hon. member is attempting to be a little tricky with his question. It takes time to build sanitoria and to recruit the staff. Provision has been made that as soon as labour is available the programme can go markedly forward. As the hon. member knows there are a number of beds available in this province at the present time, but we cannot get the people required to look after them. Also it is difficult to get patients to go from their local areas even a slight distance to receive care and treatment for tuberculosis. The plans will

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give care [illegible]

be implemented and construction go forward at the earliest possible moment when labour and staff are available.

MR. MITCHELL: Strictly futuristic!

MR. VIVIAN: The programme is under way now.

MR. MILLARD: I notice, Mr. Speaker, that it is almost 5.30, and I place myself in the hands of the House whether I should start now or perhaps the House would consent to calling it six o'clock. I am prepared to go on now but would prefer not to have my speech broken by the dinner recess.

MR. SPEAKER: The Prime Minister is not in the house at the moment. I understood the intention was to rise at six and resume at eight.

MR. MILLARD: I think it is only fair for me to say that the Prime Minister indicated that he wants us to proceed with this debate as rapidly as possible, but he did not know just how long the Minister of Health would take with his remarks. I am quite prepared to go on now if the House desires.

MR. FROST: It is twenty-five minutes past five o'clock and naturally we would prefer to go on now as the House is somewhat in arrears with its business. On the other hand we certainly do not want to embarrass the hon. member for York West, and if he feels that it would be an embarrassment to him to proceed now I would be agreeable to calling it six o'clock.

MR. SMITH: It seems ~~only~~ hardly fair that the hon. member should not be asked to start his speech at this hour, only to have it broken. I think every hon. member has the right when speaking in this debate to complete his speech

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available.

MR. MITCHELL: Strike [illegible]

MR. SPEAKER: The [illegible]

MR. MITCHELL: I notice, Mr. [illegible]

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MR. SPEAKER: The [illegible]

house at the moment. [illegible]

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MR. MITCHELL: I think [illegible]

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to [illegible] six o'clock.

MR. MILLER: It [illegible]

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MR. SPEAKER: A motion to adjourn is not debatable.

MR. HEPBURN (Elgin): Under the rules it is not necessary to move the adjournment of the House. All that is necessary, Mr. Speaker, is for you to call it six o'clock.

MR. SPEAKER: I was trying to get the opinion of the House.

At six o'clock the House took recess.

THE LEGISLATIVE ASSEMBLY

SPEAKER: Honourable William J. Stewart, C. B. E.

Toronto, Ontario.
Tuesday, March 13, 1945.

EVENING SESSION.

The House resumed at 8:00 o'clock.

MR. C. H. MILLARD (York West): Mr. Speaker, as I rise to take my place in this debate, I would be amiss if I failed to express my own personal appreciation for the remarks of good will that have been tendered to me on my return from a recent trip overseas, by members from all sections of the House. And, at the same time, I want also to tender my own personal appreciation for the privilege and favour which is extended to me not only by the Trade Union Movement that I have the Honour to represent, but by the government of Canada who deemed the World's Trade Union Conference important enough to see that the elected delegates from the two congresses of labour were provided with priorities and transportation to Great Britain.

To-night I propose to deal with five main subjects, all having to do with my visit to Great Britain, to the World Labour Conference, and to my trip over to the fighting front in Belgium, Holland and Germany. I want to talk about the World Trade Union Conference and some of its implications, and I believe it extends directly and leads into the subjects under debate at this time.

I want to talk about my visit to the fighting front and tell something about the condition in which I found our

soldiers, as nearly as I can from my own personal judgment and their attitude. And I want to tell something about the people of Great Britain and the other European countries.

I also want to inform the Members of the House about a visit which I was able to pay to the British House of Commons in Session in Westminster. And Lastly, but not least, I want to talk also about Canada House and its relationship to the Ontario House and the work that is being carried on in our behalf by the Agents-General in London.

I must say, at the outset, that having just returned from Holland, having been up as close as seven miles to the front line, having seen our soldiers who were in the line in the morning and talking to them by four o'clock in the afternoon as they were getting ready to go back on leave, I was amazed, astounded and ashamed, having left that serious situation over in Europe, and almost momentarily by to-day's transportation come back here and find the level of debate in this House; and I say to some of the Hon. members, -- and I certainly do not want to deal in personalities, but I say that from the performance which I have witnessed in this House, they are not aware of the sacrifice and the effort that is being made by our boys overseas.

I want to deal, in the order that I have outlined, with the World Trade Union Conference. I say again that I have considered myself highly favoured, first of all, to be selected as a delegate to the first World Meeting of this kind that has ever been attempted to hold. And I want, in the course of my remarks dealing with this particular part of the subject, to quote very briefly from some of the

speeches and some of the declarations that were made at that Conference, because I believe that in no other way, Mr. Speaker, will the Hon. members of this House have any appreciation of the importance of the work that was accomplished there.

As a matter of fact, the Prime Minister of Great Britain, Mr. Churchill, felt that the Conference was so important that he, not being able to attend, being in Yalta at the Conference, deputized the Deputy Prime Minister, Hon. Mr. Attlee, to attend the conference in his place and to bring a message for the Government of Great Britain to that conference. So I want to quote very briefly, from the remarks of Mr. Attlee at that time, and I want to point out to the Hon. members of the House, and particularly to those by whom I am surrounded here, that Mr. Attlee himself is a Trade Unionist, and therefore in representing the Government and the Prime Minister, he felt entirely at home at that particular conference.

I want you, Hon. members, if you can, to visualize the London County Council Building where the seating is more extensive than it is here, being more than twice as large as this particular chamber, where the business of the London County Council is carried on. There we were from almost every part of the world excepting enemy countries. There were delegates there from the neutral countries, from India, Egypt, all parts of Africa, from Jamaica, and a large representation from the Soviet Union; and some from the United States, New Zealand, South Africa, and from other parts of the British Commonwealth. They were there in their dresses and their turbans, with their various tongues. And we had to resolve the conference into an interpretation of what was being said. One person would get up and

speak in Spanish, and it would have to be translated into English, and then, possibly, from English into Russian. But, in spite of the difficulties involved, we were able to understand one another, because we soon found that we were talking in terms that we all understand.

I want to say at the outset that we were not in Great Britain, -- because it also included other parts of the British Isles, particularly in London, long before we began to realize that the City in which this Conference was meeting, and before we began to realize something of what the British people had gone through in the course of this war.

It is no secret to tell this House that the bombs are still falling. Of course, when you read the press, they were falling in the south of England. I was in the south of England then when they fell, because one fell very close to the House in which I was. And I am not taking any chance of disclosing any military secret when I say that the people who were suffering from bombing in 1941 are still suffering in London and in the south of England. And I want to tell you, so that you may have an appreciation of the freedom which we have in this country, that there is no warning to the coming of the V-bombs, because no one knows where they are going to strike until the damage is done.

You may read in the press of some casualties. I can only tell you of one instance, and I will not tell you where it landed, but there were, as a result, of the one bomb, sixty people killed and almost one hundred and sixty people injured, and a whole city block blown down. I am telling you that so that you may understand the

difficulties under which the people are living in London and the southern part of Great Britain.

So that it was in this setting that we met in conference, some of the members of which had come from countries that had been previously occupied; and others had come from India, and from the other places I have mentioned.

I think that with those words of introduction the Hon. members of the House will better appreciate the words I am going to give you, which are quotations from the words of the Hon. Mr. Attlee, the Deputy Prime Minister. He said, after the introductory remarks:

> "It was here in London in the early years of the war, when Hitler tried to force a quick decision by destroying with bombs our citizens and their homes, that the common people won a great victory against the forces of agression by their heroism and endurance. You can see the battle scars of that fight around you. You can see many ruined homes. As you can see, the spirit of Londoners is unbroken. It can never be broken."

Then, further on in his remarks, the Deputy Prime Minister said:

> "In the free countries, organized Labour has shown what free men and women can do. They have cheerfully worked very long hours; they have gone to the work that was most urgently needed; they have continued at work under constant danger from bombing; they have taken their share of every kind of work, from the humblest routine job to service in the highest places of government."

And then, further:

> "You will know that in the course of the war great advances in social and industrial legislation have been, and are being, carried through."

I add that because I want you to see that there is something which is giving the British people encouragement to withstand all the dangers and all the fear, and all the

hardships, the rationing, the lack of proper food, the lack of proper shelter, -- something is underpinning these people; and I want, if I can, before I am finished, to try and give you some idea of what that something is.

And, near the conclusion of his remarks, the Deputy Prime Minister said:

> "We need to create a new European consciousness, but this consciousness must extend to the masses and not be the preserve of the small governing class. There was, too, a general acceptance throughout Europe of moral values. We must restore this acceptance, but we can and must go further. If Europe needs a unity of spirit so does the world. A sense of unity must transcend not merely countries but continents. For this reason I am particularly glad to see here such a great and varied assembly of representatives.
>
> I am certain that in building up this world unity, international Trade Unionism has a great part to play. When peace comes and conditions get more settled I hope that with modern transport developments, intercourse between the workers of various countries of the world will be more and more close so that peace may rest not merely on organisations for the prevention of war, but on a real unity of aim and a real consciousness of interdependence between all peoples in the world brought about by actual contacts and personal friendships.
>
> I have no doubt that this great Conference will be the first of many Parliaments of Labour in the years to come and that in the future as in the past world Trade Unionism may be a mighty force for Freedom, peace and social justice."

It is not much wonder, then, and I think Hon members in all parts of the House will agree that under an incentive such as that which I have just described, there in the heart of old London, there in the midst of some of the ruined sections, there in the midst of the people who have carried on from the beginning, with this model group of delegates, -- I am sure you can

understand why we came to realize very early in our Conference that we must achieve unity, and that we must do something constructive about the questions which we had met to discuss.

Page 1229 follows.

(1) The Conference was called on a purely exploratory nature to plan full participation in the measures and works calculated to win an early and successful military victory.

(2) To state its views on the peace settlement.

(3) To establish a world Trade Union Congress.

That was the main purpose of the conference and that was what the delegates, representing almost 60,000,000 workers, attempted to do in the space of time between February 6th and February 17th.

I am not going to take the time to explain about some of the difficulties that were encountered, but we did encounter difficulties. We did have to reconcile our various view point, we did have to come to agreement and compromise, but I am glad to report that we were able, through various declarations, to give some very constructive, to my mind, very constructive results sofaras that conference was concerned.

I want to quote to the members something which appeared in the Declaration on the Trades Union attitude to the peace settlement, because with a body such as I have describe to you, acting in unity of all these countries in the world- and they did represent a very large proportion of our population in many countries, particularly in Great Britain, the Soviet Union, the United States, and other parts of the British Commonwealth. Here is part of that Declaration;

> " In the confident hope that victory will bring permanent peace, this World Conference pays homage to all who have fought and suffered in the fight for freedom. The Trades Union movement will hold in everlasting honour those who have fallen in battle,by land and sea, and in the air, and those who have suffered martyrdom at the hands of a cruel enemy.
>
> " The Conference pays its heartfelt tribute to all who have served in the armed forces of the United Nations, in the Mercantile Marines, in the Civil Defence organizations, in productive industry,

"and in the transport and distributive services. By their valour and endurance, on the battlefields, and in every form of war service, and by their heroic sacrifices, men and women alike have won the right to demand that the victory of the United Nations shall lead to the creation of a world organisation capable of ensuring a stable and enduring peace. The war has been fought by working people, and peace cannot be organised without their co-operation and effective participation in the counsels of the peace-making Governments.

"This World Conference therefore welcomes the historic Declaration made by the Prime Minister of Great Britain, the President of the United Statesm and the Chairman of the Council of People's Commissars of the Union of Soviet Socialist Republics, following their Conference in the Crimea. In that Declaration this World Conference finds the assurance that the sacrifices and sufferings of the working people will not have been made in val

I am not going to read much of this, Mr. Speaker, but the hon. members might be interested in one or two more sections of this Declaration:

"From the Crimea Conference have come binding guarantees that the Allied Governments will forthwith enter upon the task of establishing a general international organisation to maintain peace and security.

"Only when such an Assembly is in being can such question as general disarmament, regulation of armaments, and other essentials of security be adequately dealt with.

Among these essentials this World Conference attache supreme importance to removal of the economic causes of war. The Trade Union Movement cannot forget that one of the basic causes of war is the scramble for markets by monopolising interests.

This World Conference therefore considers it to be one of the earliest obligations of the Assembly presently to be established to investigate and put a term to the activities of international cartels and monopolies which militate against the public interes under whatever guise they may function."

Then further down in the document this significant section appears. I say significant because it has been left to labour to find some solution to a great world problem - a problem which was used by the enemy to touch off this great war in which we have been all engaged.

" This World Comference is of opinion too that after the war, thorough-going remedies must be found, through international action, for the wrongs inflicted on the Jewish people. Their protection against oppression, discrimination and spoilation in any country must be the responsibility of the new International Authority. The Jewish people must be enabled to contue the rebuilding of Palestine as their National Home, so successfully begun by immigration, agricultural resettlement and industrial development."

Then I want to, in conclusion, give the members of this House the benefit of the concluding paragraph because it does deal with labour's attitude, not only to the peace settlement in regard to Germany, but that in regard to Japan also.

" It is the view of the Trade Union Movements of those members of the United Nations which are at war with Japan that the principles outlined above, as applying to the peace settlement to be imposed on Germany, are equally applicable to Japan, and, in particular, that the Mikado shall not be allowed to escape his responsibility for the acts of Japanese militarism, that the Japanese Empire shall be replaced by a democratic republic, and that the terms of the Cairo Declaration shall be rigidly applied in regard to those territories which Japan has seized in the course of her campaign of aggression."

I read that, Mr. Speaker, to the members of the House in order that you might get some idea of the very forth-right way in which labour has gone into the matter of the causes of war, and what we consider to be the remedy to protect the world against future wars.

I am not going to deal a great length regarding what was part of the Conference, which was to set up a world trade Union centre, but I can say that there was enough unity generated in that Conference with a continuous committee of some fourty-one that had been selected, administration committe had been selected. Then the World Trade Union Conference will be represented at the San Fransisco Conference, and that possibly in the course of the next six months

a Constitutional Convention will be called in which the International or World-wide Labour Trade Union Congress will be established.

I think, considering the nature of the conference, considering the fact that it was the first time that world labour was able to get together, that considerable progress has been made.

Now, I want to deal with the next question, which is the question of the people of Great Britain, and the people of the liberated countries which I had the privilege to visit. I am afraid I will be called, Mr. Speaker, as already has been mentioned here, an apostle of gloom if I painted a full picture of what I saw in these various countries. I think it is safe to say that the people in Belgium and Holland are at the moment far worse off than they were when their country was occupied. That is, in the matter of food and fuel. The Government has not been able yet to function. The country is still in the midst of war. Every road, every piece of equipment is in use to carry on a successful war effort and particularly the fighting front and the people have not food to eat, they have not fuel to keep themselves warm and they are in a deplorable condition. I want to tell the members of this House or I hasten to assure them that in my experience after the last war the people of France and the people of Holland and the people of Belgium were not equally so close to the Allies, and particularly to the British Commonwealth, as they are at this time. They realize the need for enduring just awhile until relief can be set in motion by UNRA, and other agencies.

I think I should then tell you some of the things that

I learned from some of the civilian population. One man I believe represented business - a business man in Holland. When I asked him a question about what took place during the occupation in regard to labour, in regard to the conduct of his business, which was international -because he had factories in Germany, as well as in Belgium and in England, and in order that the members of the House might know what value to place on his judgment, he had been in an internment camp for twenty months as a hostage, never knowing when he got up in the morning whether he would be alive at night or what time the Gestapo came along he would be called and led out, like many of them were, and shot or tortured to death. But at the moment...

Maybe I should tell the House, in passing, I did not go, actually, into the torture chambers. I shuddered just to go past them, but I did visit the internment camps, where 13,600 Hollanders were put to death,-either tortured to death or starved to death, or died from exposure, out of a total of 30,000 inmates of that particular camp. There is another camp with almost as gruesome a record in Belgium, which I also went by. I understand the Belgium Government and the Holland Government are going to keep these camps as a mark of what they have gone through and a reminder to future generations.

I tell that now because I want you to understand the significance of this man's reply to a question I asked. I said, "What do you think of the future?" His business is not running, and, as I say, the people are hungry; they have no fuel; they are enduring the hardships of the moment, yet he immediately replied that he did not speak, of course, officially, but he said he was expressing his own personal viewpoint and the viewpoint he had discussed with his associates and fellow directors in the particular company in which he was employed, and he said, "My opinion is that we cannot do this all at once. It may take four, it may take five years, or it may take longer." He said the hatred that has been generated through this war, "You are suspicious of your next-door neighbour, who is charged with being a collaborator because he was friendly to German soldiers, officers or officials." He said those days will have to be adjusted. "But," he said, "I believe I speak for a large number of the people in Holland when I say we will have to be part of the united states of Europe, in which Great Britain will be

a member." He named, at that time, the Scandanavian countries, Holland, Belgium, Luxembourg, France and Great Britain. I would not have felt that was so significant if, in following up, I had not addressed a similar question to a resident in Brussels, Belgium, and I got almost the same reply. The reply was different, in that they had not given very serious thought to the matter, but they had discussed it briefly with friends, acquaintances and associates, and the reply of the man in Belgium was, "I believe we will have to have some kind of dominion status, such as Canada and Australia." Those were the two illustrations he gave, and he said, "We will have to be a part of the British Commonwealth of Nations."

I tell the hon. members of the House this because I want you to understand that the people have not got a grievance against the Allies, have not got a grievance against Great Britain because they are not able, at the moment, to enjoy proper food and fuel accommodation, but they are looking to the future, and they are thinking along the lines that I have suggested. Just in order that you may be better satisfied with our lot here in Canada, I think I should tell the hon. members the black market used as a patriotic devise during the occupation time has now gotten completely out of control. The Government of these countries have no control over that, and a franc, that used to be worth eighteen to twenty cents during the last war, is now worth two and one half cents. If you could buy a ton of coal, it would cost three thousand francs, or $150.00 in our money. An egg would cost ten to twenty-five francs, or from twenty-five to sixty-seven cents for one egg. Everything is in that proportion, and certainly, in spite of the slight inconveniences that we suffered during rationing in Canada, we

could be proud that we did not have to go through the serious conditions they are facing, the people in Belgium and Holland, at this particular moment.

It is always considered that the Dutch people and the Flemish people, and the people in Belgium, the Belgians, are very clean people, and certainly I found that to be true in the last war, and in this case, wherever they could find a small piece of soap. To give you an idea how much soap there is in that country, because it is a real hardship when they have to be without it, I can tell the hon. members of the House of a man who used to work for a soap company in this city who was offered one hundred and fifty francs for a bar of soap, ordinary Lux toilet soap, and that would be approximately $3.75 for a bar of soap.

Now, I want to say a word about my visit to the Canadian troops. I want to express my appreciation, at this time, and the appreciation of my colleagues who were with me on this occasion, to the High Commissioner of Canada for the arrangemant he was able to make with the Army Field Commander to have us as guests of the Army for four days, in the Canadian Army sector. As I said a moment ago, I was able to get within seven miles of the front line. I was able to see our boys as they came out of the front line in the morning, and I talked to them in the afternoon. I was able to visit the Base Hospital. I say that to show the difference between the kind of war being fought to-day and the kind of war which the hon. members of this House and myself went through between 1914 and 1919, but I must tell this House that the Canadian boys are out of touch with home.

The boys are confused about the situation in Canada.

They do not know what is going on over here, in spite of the letters they receive. They have been lifted into another land. They have gone through this experience in the last four or five years, in spite of the fact they have had letters from home, - most of them, - they just do not understand the issues; they do not understand the outlook. And in this connection, Mr. Speaker, I want to suggest two or three things. I think this House ought to back a motion to bring it to the attention of the proper authorities at Ottawa that if facilities can possibly be provided that they be provided, to supply the soldiers overseas with weekly papers from their own home towns as frequently as possible. I think we ought to go to our municipalities, we ought to go to our various organizations, and try to have subscriptions arranged so that weekly papers will be forthcoming, and so that Ottawa will get them transported by airplane or boat to the fighting fronts, to get these people back in touch with what is going on in Canada. They are hungry for news from home.

I might tell this particular incident which occurred, because I think it illustrates how the boys are feeling.

One young fellow just out of the lines, and he was well supplied with francs, ready to go on leave, said to me, "Sir, have you any Canadian money in your pockets?" I said, "I have very little. Why?" And he said, "Would you mind letting me have a look at it. I just want to see some real Canadian money just once." That boy has not been home for five years, and he did not have much money when he left, according to the story he told me, but he is hungry for a touch of home.

There is one thing I found a little grievance about.

The canteen goods are supplied through the NAAF, - that is the Army, Navy and Air Force Canteen Service provided by an institute in Great Britain, and they are supplying the Canadian Army at the front and leave centres behind the front, and they are supplying the goods that the soldier ordinarily buys, but they have not got sufficient supplies of Canadian products to supply the Canadian boys and the British boys, who also want to deal at these particular canteens.

It is a wonderful thing what the American troops are able to get through their systems. They are able to get all their American products, their orange juice and tomato juice, and American cigarettes and American chocolate bars and American soap and American shoe polish, and all those other little things. Yet, the Canadian boys are not able to get Canadian cigarettes and other things through the canteen service. It may be too late in the war to deal much with that, Mr. Speaker, but I do feel it was a sad mistake that at least this little home touch was not provided for the soldiers overseas.

I do want, Mr. Speaker, through the channel of this House to urge upon the members here what the hon. member urged upon his return from Italy that all of us ask our people to write more letters to the boys overseas, and in writing them to put in the little interesting details, the homely happenings on Main Street, in the villages and in the towns as well as personal matters about the home, because the boys are hungry for news from home.

I might at this juncture tell you how they feel about the war and about the post-war. They are sadly confused about the situation at home. Over and over again as I talked to non-commissioned officers, officers and privates, I got the same story: All we want to do is to get the job home and to get back and create a home for ourselves and live in Canada, and live in peace. That is their general attitude.

But I want to warn this House that the soldiers in the front line and in the supply lines are not in any position to vote in any election, whether it be federal, provincial or any other, because they do not understand the issues back here.

I am also going to suggest that we through the various major political parties represented here implore the political parties to lay out their programs and their policies jointly and have them printed and then put them over the air, and see that the boys over there are kept in touch with political developments and the outlook in this country.

The boys are healthy, considering the conditions under which they are fighting. I am not going to describe

the conditions in this war because many of you can visualize them. Many of you have read in the press about dams being blown up and the land flooded. Water in that country, as most of you know, creates mud, and our soldiers have been fighting and lying in that mud for days on end, when I talked to them as they were just going on leave.

Our soldiers overseas are getting, I think, the most wonderful medical service that could be supplied. Our Canadian nurses and Canadian doctors are giving really noble service to our boys over there.

The boys are not discouraged. Some of them feel that the five-year leave plan should have been placed in operation sooner, and some of them feel that on compassionate grounds they have special priorities which they should be able to exercise. But by and large they believe that the leave plan is working equitably, fairly and justly. Many of them in key positions cannot be spared owing to the exigencies of the service, but their hope is that the day is not far distant when they will be able to return to Great Britain and to Canada.

I think I would be unfair to the members of this House if I built up any false hopes. The boys and the officers I talked to have no illusions about the job ahead of them. They are quite prepared for any eventuality. Many of them, of course, not being able to see the whole picture and realizing the intensity of the fighting in which they find themselves engaged and observing the courage, almost the fanaticism of the enemy, are not looking for any early cessation of major hostilities. Many of them feel that they will have to spend a considerable time in the army of occupation before they are

able to begin the restoration processes in Germany and these other countries. However, I must pay tribute to our men and officers. This is a different kind of war from what most of us have experienced. This is a fighting, working war. For every man up at the front there are a number of men supporting him on the supply lines and in the workshops as mechanics and instructors, helping to feed the supply lines and provide the men at the front with the necessary equipment.

Canad's equipment is standing up well at the front. The officers and men are very complimentary in their remarks about the good job that has been done by Canadian industry and Canadian workers.

I do feel that I should explain that there is a splendid esprit de corps existing between the men and the officers. In the reinforcement camp which I visited I met men who were going back into the line after being wounded and in hospital, and men who had recently come from Canada to the reinforcement depot in Great Britain and had taken their training in Britain and had passed on to the reinforcement depot behind the lines in Belgium. I talked to these men and their officers and I must say now with respect to these men who have gone over from Canada to these reinforcement depots that I think it is a matter of public regret that a leading man in Canada should have given a wrong impression about these reinforcement units, these General Service soldiers who are now proceeding to take their places in the front line. I saw more than four thousand of these men and I have this to say to hon. members of this House, that out of four thousand, or more than four thousand, only one man up to that time had taken the position that he was not going to

go active with the rest of his fellow soldiers -- only one man out of more than four thousand.

I want to say this too because I think it is important. These General Service reinforcements that are now going up to take their place in the line are being accepted by the other soldiers, some of whom have a wound stripe on one arm and some with service stripes indicating three or four years service on their other arm are being accepted as buddies and pals, as fellow soldiers who are anxious to get this job done, and it would certainly be doing a disservice to Canada for any public man to raise the reinforcement issue particularly with respect to those who are at this moment proceeding to do their duty.

I am satisfied, Mr. Speaker, and hon. members that the reinforcements that are going over to assist the boys in the front line will uphold the splendid name and record and reputation that our Canadian boys have established for themselves on the fighting fronts.

I want to speak a little of my visit to Ontario House. At the outset I want to pay tribute to the splendid work that is being accomplished by the Agent General for Ontario, Major Armstrong. He made us feel perfectly at home, myself and my colleagues. He showed us over the premises of Ontario House and Ontario Club, which is performing a distinct and useful service not only to the armed personnel from Ontario but for our Canadian boys generally and Canadian officers who want to visit the officers' lounge and the quarters provided and take advantage of the catering service provided at Ontario House through Ontario Club.

I certainly would be negligent if I failed to mention that Major Armstrong arranged a banquet at which we met the delegates to the Commonwealth Relations Conference together with the delegates to the Trade Union Conference, where we met former Canadians now living in Britain many of whom have distinguished themselves in the field of politics or in business and in other fields of activity there. I want to express my personal appreciation at being invited to such a banquet and having the opportunity of meeting former Canadians many of whom have risen high in the service of their adopted country.

Having said all that about Major Armstrong and about Ontario House I would be the last one to take away any credit that is due for the splendid work that is being carried on there. I share the opinion expressed by the hon. member for Elgin (Mr. Hepburn) the other day when he intimated that Ontario House, particularly at the present time, is certainly performing a very distinct function which it has to fulfill.

But I must say that I was alarmed at some of its functions which I do not believe are the proper functions of Ontario House, and which, if continued, I am afraid will create division and difficulty as between Ontario House and Canada House and the High Commissioner, and also create confusion in the minds of the British people generally. I want to refer again to something which has already been mentioned since my return to this country.

Let me say at the outset that I accept the word of the Prime Minister and his statement regarding the article that was written by Beverley Baxter, M.P., in which the Prime Minister is reported to have said certain things. I accept the Prime Minister's word honestly and sincerely

that he did not make the statement.

MR. DREW: Wait till you see what he writes about you afterwards.

MR. MILLARD: I accept the Prime Minister's own word that he did not make the statement.

But here is a document which I think the Prime Minister should see is removed from the reading table of Ontario House. I have in my hand a reprint from Everybody's Weekly of September 30, 1944, and it has upon it the stamp of the Agent General, Ontario House, Province of Ontario. It was taken off a pile, and therefore I must conclude that there was a quantity of them for distribution, by the man who gave it to me who happens to be an officer in the Air Force who brought it to me after I visited Ontario House. This officer was quite exercised about the whole matter. As I say, this reprint has the stamp of Ontario House upon it, and I say that that stamp gives some validity to the statements which are printed in this reprint and placed on the table there for the public and for the visiting soldiers.

The hon. member for Elgin has already quoted from this article and I want to quote from it also. In my opinion it is not a good thing. I am going to quote passages from it and leave the House to judge for themselves whether it is well to have this form of propaganda distributed containing as it does what amounts almost to misrepresentation. Quantities of this reprint must have been purchased or secured by Ontario House or given to Ontario House and are there exposed on the table for anybody to read and consume.

After the passage which was read by the hon.

member for Elgin the other day this reprint has this to say with respect to the Prime Minister (Mr. Drew):

> "He entered politics and was eventually elected to the Ontario provincial legislature as a Conservative.
>
> "Ontario is the biggest province, the richest and the most influential. By tradition it is Protestant, British and Tory. Yet by the time Drew entered the Legislature the long reign of the Tories had ended.
>
> "Somewhere about 1935 Ontario held an election. Drew was a powerful member of the Party by that time but in the very midst of the election broke away from his leader because of dissatisfaction with his policy.
>
> "Then George Drew was to know the rough tongue of denunciation. A storm broke over his head and in the usual illogical manner of storms it blew in all directions. The immediate result was an electoral disaster for his party.
>
> "Then the storm subsided, as is the habit of storms, and Drew was chosen to lead what was left of the Tory party. One year ago came the next election in Ontario. His enemies assailed him from all sides. A federal minister in Ottawa so lost his head that he accused Drew of being a war shirker. This was a lucky break for the Tory leader. As a gallant veteran of the last war he made no reply. He did not need to.
>
> "Instead he announced his platform. Its first plank was: 'I believe in the British Empire.' Whenthe votes were counted his party was in power and the man who had come from Guelph was Prime Minister."

Then comes the passage which the hon. member for Elgin and also the hon. member for Prescott, I understand, have already read.

Then the Prime Minister is quoted as having spoken of the vast mineral wealth of Ontario, of its huge industrial plants, of its farm lands and orchards, its forests and its cities. It says:

"It was like a father describing his family to a poor bachelor. I asked him if the rumour was true that he might go to Ottawa as the leader of the federal Tory Party. He did not even smile. "I've got a man's job to do in Ontario,' he said."

Then further down I find this:

"Which of us would like to set sail across the seas knowing that we would not live here again? That is a separation which will leave its hurt for many years. Without that hurt we never could have held the Empire together. The Australian who has never seen Britain speaks of it as 'Home'. The children do not forget the Mother Country even when a generation passes.

"But as the daughter must leave her parents' house for her own, so it is good that girls from here will go out to make their homes in Canada. So let us talk for a moment of what they will find."

Then skipping some that is not relevant to the point I want to bring out I come to this:

"The summer is usually blazing hot but Canada has a million lakes and you can swim and canoe and dream your dreams in the soft, moonlit summer evenings. Autumn or the Fall, comes with dramatic suddenness. September is a golden, azure month, lovelier than anywhere in the world. Following on, there is October with its mists and the smoke of burning leaves. Then one night there is a frost and as if a knife has been plunged into the earth the leaves run blood red. Then comes that lovely fortnight's siesta of Indian Summer with all its false feminine gentleness. After that you wait for the first flickering snowflakes of Winter and soon the earth is covered with its canopy of white.

No Pub around the Corner

"You will not find a pub around the corner in Canada."

The Minister who is looking after the Liquor Control Board had better take this to heart:

"Instead there is the 'drug store' where the boys take the girls for strawberry sundaes, banana splits and all the devices to which ice cream can be turned. There are beer parlours, but they are poor affairs. You must make up your mind to say good-bye to the goodly forum of the 'Hare and Hounds.'

"If your Canadian husband is a farmer --"

Listen to this:

"-- you will find that the radio and the motor car have done much to ease the loneliness of rural life. What is more the Canadians use the Air Service with no more thought than we travel by train from London to Manchester.

"If your husband is a factory worker in a city you will learn that the Canadians are far ahead of us in labour-saving domestic devices. What is more you will discover that good is plentiful, good and cheap.

"Now let me give a word of advice to young women going out as brides. Remember that every Canadian soldier left a girl behind him, perhaps, two, three or even five. They will not be particularly enthusiastic that you got him instead of them. Your husband will want them to like you and admire you -- and they will, in time, if you play your cards well.

"So here are one or two 'Don'ts' --

"Don't start talking of your home in Streatham as if it were Blenheim Palace. Your husband knows what it was like and the others will suspect it.

"Don't talk of your parents as if they dined in white gloves every night -- especially if they did.

"Don't tell the Canadians how much better everything is done in England. That is the surest way of breaking up your home and the Empire.

"Don't talk about the Canadian accent. The Canadians think it is we who speak with an accent.

"Don't tell your husband that he misled you about his home in Canada. Get behind him and help him to become a success.

> "Don't criticise his former sweethearts. Ask them to your house when he's there and bind them to you. They will become your real friends for the Canadians are naturally kind and decent.
>
> "Remember this: Canada is a paradise for children and if your heart is lonely for the sweet-smelling English countryside live for your children and make their happiness yours. Above all, realise that you are builders of Empire, as much as our ancestors who went out there and blazed the trail through virgin forests and by rivers without a name.
>
> "And if you have any serious complaints write to Prime Minister George Drew if you happen to live in Ontario. He will regard himself as godfather to you all."

MR. MacLEOD: May I ask who wrote that?

MR. MILLARD: It was written by Beverley Baxter, M.P., a Conservative member of the British Parliament.. I suggest that the Prime Minister through the Agent General ought to see that piles of literature of this sort be discontinued on the reading table in Ontario House.

MR. DREW: I propose to inform the hon. member because he has been extremely fair in his criticism that the first I heard of this was when it was brought up in the House. It has been discontinued already. It is a reprint of an article which I am afraid the writer thought was humourous, and which I am afraid others seem to find humourous, but I agree that the humour is not of the kind that should be distributed, even though it was given gratuitously.

MR. MILLARD: I am glad to learn from the Prime Minister that it has been discontinued, and if we can get the same action with regard to some of the rest of what is produced, it will be all to the good.

Then here is a letter on the letterhead of Ontario House, James S. P. Armstrong, Agent General in the United

Kingdom, enclosing an application form in respect to prospective citizenship in Ontario to which the hon. member for Elgin referred the other day.

MR. DREW: Did the hon. member obtain what he is going to read now from Ontario House?

MR. MILLARD: No. These documents, plus another, were handed to me on my return from France, when I did not go back to Ontario House. I did not pick them up myself.

MR. DREW: Did you get them in London?

MR. MILLARD: Yes.

MR. DREW: But not yourself?

MR. MILLARD: I did not pick them up in Ontario House. They were brought from Ontario House to me. I am informed that they were picked up by an Air Force officer and brought directly to me.

This letter on the letterhead of Ontario House is headed "Prospective Citizenship in Ontario." I shall not read it all because the hon. member for Elgin read part of it to the House the other day. It says in part:

> "In answer to your enquiry for information with regard to Ontario, with a view to emigrating there, we enclose an application form and suggest that you complete it in detail and return it for our records."

Then it says:

> "It is to be understood that in registering on our Immigration Lists you are under no obligation to go to Ontario should you change your mind. By returning this form it will enable us to supply you with further information about living conditions in the province, permit us to forward your particulars to our Government, and eventually, when a post-war immigration scheme is announced, we will be able immediately to send you full particulars.
>
> "Our Government is vitally interested in encouraging healthy, young

> industrious people to settle in our Province, and we envisage a scheme that will be carefully controlled and supervised, so that there will be homes and jobs for all who go, with a minimum of hardships and adjustment problems."

Then further down:

> "When post-war plans affecting emigration are announced by the various governments concerned, we will then be in a position to discuss your personal situation and every effort will be made to advise and assist you in the fulfilment of your desire to live in Ontario."

MR. ROBERTS: What is wrong with that?

MR. MILLARD: I have read that letter because in the first few paragraphs the impression is given to the uninformed person who might be wanting to come to Ontario that there is such a thing as citizenship in Ontario as distinct from citizenship in Canada, and it is only by the last few words at the bottom, "When post-war plans affecting emigration are announced by the various governments concerned," that it is indicated that there are other governments in this country to deal with in respect to citizenship. I wanted to bring to the attention of the House some of these things that are quoted as facts about Ontario. I am not saying that every one is not a fact, but I feel that too many of these items do not put Ontario in its proper perspective, do not give proper information designed to acquaint the people with the situation they are liable to meet.

On the back of the letterhead, under the heading, "Facts About Ontario", I find this:

> "Do you know that the Province of Ontario:
>
> 1. Was settled by the United Empire

Loyalists from the rebelling New England States in the late 18th century? These people freely gave up their lands, homes and savings, and faced all the hardships of pioneer life in a wild new country in order that they could continue to live under their British flag.

2. Provides great opportunities for an abundant satisfying life among people whose love for freedom was nurtured, developed and cherished in Britain?

3. Is proud of being populated by almost 80 per cent British stock and intends to retain or increase this percentage?

4. Together with the Dominion of Canada, is further advanced in post-war planning programmes than any of the other allied nations?

I have underlined that particular item in these Facts About Ontario because as I read the Speech from the Throne and from what I have been able to learn of post-war plans at Ottawa I doubt that any person can truthfully make such a statement as that. It goes on:

"5. Is a sportsman's paradise for camping, fishing, boating, hunting, shooting, skating, curling and skiing?

6. Has, at Toronto, its capital city with 700,000 population, the largest annual Exhibition in the world?

7. Was where the world-wide Women's Institutes Movement was started -- in 1898? (It began, on this Ontario model, in the British Isles at Llanfair in Wales in 1915)

8. Has over 300 species of birds, many being quite new to British people -- such as that lovely feathered jewel, the tiny humming bird?

9. Has a canal -- The Welland -- with locks as big as in the Panama Canal?

10. Has commercial fisheries of great importance, on four great 'inland seas' -- Lakes Superior, Huron, Erie and Ontario?

(There are over a million lakes in Ontario.)

I do not know who counted a million lakes in Ontario, but that is what it says in this letter. It goes on:

11. Produces half of all the cheese in Canada?

12. Leads all Canada in the production of minerals -- including over 90% of all the world's nickel?

I submit, Mr. Speaker, that such a letter at this particular time does not give a clear picture of the actual situation, and that there is altogether too much of this type of propaganda. I humbly suggest to the Prime Minister and the members of his government that serious consideration be given to the quality of this particular piece of propaganda and as to the wisdom of carrying on this particular work as a function of Ontario House. I was told by Major Armstrong that they are receiving thousands of inquiries and that they are doing a land office business as a result in this particular department. If the matter was going to be settled in conjunction with Ontario House, something might be said for it, if the true facts were represented. But I am worried over the situation because Ontario House is also making a very definite bid for British industry and British mechanics to be imported into Ontario. I question, Mr. Speaker, whether this is possible except on a cooperation basis and whether it is really a function of Ontario House. I question also whether this sort of thing ought to be done unless there has been -- and possibly the Prime Minister will enlighten us upon this point -- full consultation previously with the British government. I made contact with members of the British War Cabinet and I heard and read some of the debates of the British House, and I was impressed that Great Britain

feels that she is going to have a very great problem to solve in the post-war years, that she will need an increasing birth rate and a larger population and will need all the industry that she can possibly get to re-establish her export trade with various countries. It therefore seems to me to be a little unfair for the Ontario Government to proceed along these lines unless an understanding has been arrived at with the British government, in which case I hope that the members of the Government here will inform us of it so that we may know that these plans have the full knowledge of the British government and are expected to work out satisfactorily for all parties concerned.

(Page 1115 follows)

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, perhaps the hon. member (Mr. Millard) would prefer that I deal with this now, so that no inaccurate impression will be left. Everything that has been done there has met with the full approval of the British Government, and as the hon. member knows, I believe, from the discussions he has had, no single advertisement has, at any time, appeared in any English publication asking people to come into Ontario House and apply for immigration. The mere fact that the name of Ontario is up there is bringing them there in their thousands, and the hon. member must have come in contact with the fact that one of the strongest desires in Britain to-day, is to know about Canada, and all parts of Canada and any replies which are sent out are in response to requests which have been made.

But I would like to clear up one point I do not, in any way, offer any apology to this Legislature for any enthusiastic statements which may have been made about Ontario or about Canada because they have been our best customers in the past, and are going to be our best customers in the future, and it is a good thing for us to establish friendly, - enthusiastically friendly. - relationships. And it is unfortunate that the hon member should have introduced this material, conveying the impression that this was material delivered at Canada House. He very frankly explained how he got it. The fact is that none of that has been handed out since October 30th last.

MR. MILLARD: I must only make this known to the House, then, that this was picked up by an hon. member of this House and handed to me while he was on leave, while I was in London, and it was picked up on the reading table in Ontario House.

MR. DREW: I do not want to question that, and I will not interrupt again. It is only because I do not want any misunderstanding about this, and I think perhaps it will be fairer to both sides, because of the fairness with which the hon. member has dealt with this subject, that I say that I in no way offer any apologies for extremely enthusiastic statements about Ontario. I was not aware of this material, which had been prepared by an organization over there, but there will be mistakes, I presume, with the good things which are done, and our job, no matter who is responsible, is to see that as few mistakes occur as possible. I, myself, feel that there is no occasion to go beyond a perfectly proper statement of what the situation is here, because that, in itself, tells an ample story.

And becasue of that concern, I cabled to ascertain if these were still being circulated, when this was raised here, and I received a cable only yesterday stating that they had not been distributed since October 30th.

And, again, I want to be completely fair to everyone, so I say it is possible there may have been an odd one left around, as there is with all material, but I feel, from the cable I have received, that circulation, except for an accidental one which might be amongst the papers there, was effectively discontinued as of that date.

MR. MILLARD: And I want to express my appreciation of the fact that this kind of thing has been discontinued, because I think it is high time that things which might be considered misleading, or might mislead, should be discontinued, and I am glad to learn from the hon. Prime Minister that it has been done.

May I also say that I am wholeheartedly in agreement

with everything that promotes the best interests of Ontario and Canada, and I heartily subscribe to any statement that accomplishes that end, but I do think they ought to be in their proper setting, and I hope that Major Armstrong has disposed of those which were lying around when I was told these were picked up.

If that is true, Mr. Prime Minister, - and I believe it is, - I want to bring just one more document to your attention, and I hope you will send another cable, because this is dated November 28th, and it was picked up in, and has the stamp of, Ontario House on the corner, and it is the Ontario News Bulletin of the Ontario Progressive-Conservative Headquarters, published in Toronto, here, at 85 Richmond Street.

MR. DREW: You know they get the "Daily Star", as well?

MR. MILLARD: I just want to read it, because of the question raised of the relationship between Ontario House and Canada House. As the hon.Prime Minister explained to this House last year, they are only one block and a half apart, and my impression was that there is a keen desire on the part of the High Commissioner and the Agent General to work together, but I want to suggest to the hon. members of this House that with this kind of inflammable material, it is very difficult to establish cooperative relationship between these two representatives of Canada and Ontario.

Here are just one or two small items from this particular paper:

> "The happenings in Ottawa during the past few weeks have made for unrest throughout the Dominion, and have arrayed the people into two camps, with resulting bitterness of opinion."

"That is a reprint from the 'Renfrew Mercury'."

And then this:

> "Prime Minister King, Canada's artful dodger,

cajoled General McNaughton into taking over the Defence Portfolio. In doing this, he made an abominable attempt to capitalize on McNaughton's popularity with the overseas soldiers. McNaughton presents such a sorry picture, playing cheap politics to Mackenzie King's tune, that it would be folly to discuss him further."

That is from the 'Almonte Gazette"

Then there is this choice bit, which, of course, strikes the reader's eye. It is as follows:

"In the course of a recent radio address, E. B. Jolliffe, Leader of the CCF Party for Ontario, took Premier Drew to task for quarrelling with Ottawa over family allowances, when, he declared, we should all be bending every effort and every thought to the war effort, itself. This is rather good, coming from the Leader of a Party which has been devoting its wartime energies chiefly to playing politics, fomenting discontent, and attempting to set up in Canada a system of state socialism, under which we would lose the very freedom that our men are fighting to preserve, and under which Canadians would be regimented on a scale that would make wartime regulations and restrictions seem like a picnic."

That is from the "Simcoe Reformer".

My quarrel with that, Mr, Prime Minister and hon. members of this House, is that I think it is taking an undue advantage of the facilities provided by Ontario House to put forth Party propaganda.

MR. DREW: Mr. Speaker, that should be corrected immediately, and I regret that I cannot apply the same remarks to this presentation that I did to an earlier one. If the hon. member, himself, obtained that from the reading table, he knows perfectly well that material from here, or all colours and points of views, is distributed over there, also bearing the Agent General stamp, and the same stamp as that. In fact, if anything is sent from here, it is put on the table, and you will find the most unreliable newspaper in North America, "The Toronto Daily Star," on that same table.

MR. JOLLIFFE: Will you find the "Ontario Liberal" and the "New Commonwealth" on that table?

MR. DREW: I am perfectly sure, if you want to send them on, they will be there. As a matter of fact, papers go from here and are on the table there, and you can get a wide assortment of opinions from the presentation of the facts from the various papers. It is not there to be distributed, it is part of the material placed there so that people may go in and read, and, in keeping with what the hon. member has suggested, the men over there have the opportunity to form their opinions upon the presentation of the material before them.

MR. JOLLIFFE: My question was not answered.

MR. MILLARD: Mr. Speaker, this was told to me, - at least, I was informed when this was handed to me, - that this was not picked up on the table where the newspapers were.

MR. MILLARD: Did you get it yourself?

MR. MILLARD: No.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order.

MR. MILLARD: I would like to inform the House and the hon. Prime Minister that it was handed to me by the hon. member for Riverdale (Mr. Wismer) --

MR. VIVIAN: So what?

MR. MILLARD: I do not think we would want to impute motives to him, that he was trying to misrepresent anything. I am only quoting to the House what he told me about the circumstances under which this was secured.

He went in, and found, on the same table where this propaganda was found, - not in the reading room; not where the newspapers were, at all,- but this sheet was there. I want to be fair, and I am willing to admit, now that it is

quite possible that Major Armstrong does not know they were there. It is quite possible that the clerks, who were down on the ground floor, had received these from some enthusiastic Conservative, and put it on that particular table.

MR. DREW: Let us not get this on a wrong basis. What I said was this: you were referring, previously, to material, which, of course, was, first of all, an article written by Beverley Baxter, (and I only hope he writes about you, and you will find out how much responsibility you will be able to assume for what he attributes to you,) but it may be that in their mistaken enthusiasm whoever printed it turned out some extra copies, as they rather liked their own product.

The second one was one issued by Ontario House. To that I have already referred.

The other was a publication printed here in Toronto and sent over there, and it was picked up by an hon. member who handed it to you, (and I want to make this quite clear, that over there there are papers of different political stamps, and Ontario House is available to make, in turn, available to the troops, publications from this province,) and I am fully in accord with the views of the hon. members that it is wise to have opinions expressed which will indicate to the troops the thoughts that are being conveyed, and any publication the hon. member wishes to send over, I am sure it will be placed there. But no one is responsible for handing it out. It is not material handed out in Ontario House; it is material made available for people who go there to read.

MR. MILLARD: Mr. Speaker, I do not want to continue the debate on this particular point, because I do not think

it is important enough, but what I suggested to the hon. members of this House was that the soldiers at the front, and, indeed, the soldiers in Great Britain, ought to be informed of the programme and policies of the various political parties, but it should be written jointly, in a joint manifesto, and sent to these people. I do not think that one party or parties who are knifing at other parties -- in other words, what I am coming at is that I do not think that we ought to be "washing our dirty linen" in England, for the prospective immigrants to read, and see about our difficulties and get a one-sided picture of the situation. Let us make a joint submission, which should be made for the proper dissemination of information, and I hope that Ontario House will not be used for any party paper of this kind, and that would apply if the CCF were in the Government, or the Liberals or anybody else.

I think it is a mistake to supply a party sheet of that kind. This is something different from the party press.

Now, just a few words in conclusion, Mr. Speaker.

I said, a few minutes ago, that the soldiers are greatly confused, and I think they are honestly confused, about the situation. I want to say to the hon. members of this House that I found our soldiers, even those in Great Britain, are totally unaware of what the issues are in Canada, and they are not very optimistic. They do not know what they are coming home to. They have not got any concrete plan placed before them, and the are reading, in different periodicals and in different reports, such material as I am going to present to the House now, (and I will tell you who said it after I read it,) is not reassuring them. This says:

"In short, therefore, I envisage that period of the post-war boom as one in which private enterprise will be given an opportunity, with maximum assistance from the Government, to reconstruct the Canadian business system, as well as they are able to do, during that short period of prosperity.

"Such a period of prosperity will come to an end in any case, and we must also remember that there may not be a period of great prosperity, at all. We are compelled, therefore, to look to the fact that there will inevitably be a post-war depression, either immediately after the war, or at the end of this brief period of prosperity."

The person who made that statement was Dr. Cyril James, Chairman of the Government Committee on Reconstruction, in the Parliamentary Committee's Report of 1942. And I say to the hon. members of this House that that kind of information is not very reassuring to those boys from the front lines, and in these leave centres, when it is made available to them.

I want to draw the attention of the hon. Minister of Development and Planning (Mr. Porter) to some remarks that he made, because I believe that these remarks do not meet the situation, inasmuch as they do not give any assurance to those chaps that what they are fighting for is going to be accomplished when the war is over. And I refer to the remarks made by the hon. Dana Porter, when he was speaking at the Huronia banquet, their closing dinner, at their annual meeting at Wasaga Beech, and reported in the "Midland Free Press", September 13, 1944. Upon reading these remarks I was rather surprised at my good friend, the hon. Minister, making such a statement, and I just want to refer back to the statement that he made, so that the other hon. members of the House will understand why I am bringing this question up,

because I think it does create, in the minds of those soldiers, an uncertainty as to what is going to take place when the war is over, and I want to advise the hon. members of the House that that is a bad situation. These people want something concrete and definite to hang onto, and I want you to listen to the few words of the hon. Minister:

> "We may look forward to the future with some real measure of confidence, and hope for more security than we have ever known in the past," said the speaker,

in conclusion.

Now, I want you to see how the words which precede that are inconsistent with that statement and that part that is extended at the end of the remark:

> "He was not at all convinced that the early post-war years will be those in which public works will be necessary. These may actually have to be delayed, because of the shortage.
>
> "It seems to me," said Mr. Porter, "that during the first few years there will be a great demand for a great variety of goods of all kinds, and that there will be no need for the Government to enter the labour market.
>
> "There is some sort of a sensible, middle road which can be followed, which takes into account the experience of the past and approaches the problem both with boldness and some regard for the taxpayers. As I look at the whole province, I see many works of development which offer great promise. Today, on the way up, I have seen something of reforestation, and I am sure that with enterprise a great deal of employment may be created in this direction."

That is public works, and that will require the Government's going into the labour market.

HON. DANA H. PORTER (Minister of Planning and Development): Do you disagree with that?

MR. MILLARD: Not at all. But it goes on:

> "There was a vast amount of work to be done in the extension of the northern frontiers, and if this was carried out according to plan, it would lay a foundation for opportunity, and make it possible for men to settle on and develop lands, so as to give them security and prosperity."

Now, Mr. Speaker, I have very little fault to find with those remarks, but I wonder why the hon. Minister had to spoil it by adding these remarks, in the middle of his talk:

> "I do not believe there is any final solution for the problem of unemployment and depression."

MR. GEORGE H. MITCHELL (York North): They have not got it.

MR. SPEAKER: Order.

MR. MILLARD: It seems to me, Mr. Speaker, that it is small hope and small comfort to say to our soldiers overseas, and to the people of this province, that there is no solution to this very grave problem which confronted us up until 1942.

Now, Mr. Speaker, I will say just one word, and that is that the soldiers are confused, and they are confused with the kind of little bits of news they are getting, and bits of statements which are made.

Now, I want to refer to what one of the hon. members of the House is reported to have said, and unless it is asked, I will not state who that hon. member is. He was speaking to a meeting here in Toronto of the Ontario Association of Real Estate Boards, in convention last night, (this was taken from the "Globe and Mail" of December 8, 1943,) and I want you to hear what an hon. member of this House said:

> "He praised the economic system of Australia and New Zealand, but while an admirer of the Russian people and their war effort, believed that in their zeal to correct an existing evil, they over-reached themselves because they 'had neither the brains nor the experience to run a government, as millions starved to death'".

That was made by an hon. member of this House.

HON. DANA H. PORTER (Minister of Planning and Development): It was not me.

MR. MILLARD: No, and not the speaker who preceded me in the debate, who told us we should forget all these mistakes. I am not trying to bring up things which were said long ago, nor deal in personalities, but I am only emphasizing the point that these kinds of statements are doing harm amongst our forces, and doing harm amongst the people in Great Britain.

HON. GEORGE H. DUNBAR (Minister of Municipal Affairs): I think the hon. members should name the man, because that is very damaging. I hope I never made a statement of that nature.

MR. MILLARD: It was not you.

MR. PORTER: It was not me; who was it?

MR. VIVIAN: Who is this fellow?

MR. SPEAKER: I will ask the hon. member to allow the member for York West (Mr. Millard) to make his presentations, and to stop interrupting, or I will have to exercise my authority. I ask that it be stopped at once, please.

MR. MILLARD: If the hon. members are really anxious to know, it was my good friend, the hon. member for Elgin (Mr. Hepburn). And I may say that it was made at the end of the evening, too.

But I would like to also refer to just one thing that I believe is also beneath the dignity of this House, and beneath the dignity of this Government, and which leads to confusion in the minds of the soldiers, the men overseas, who, as I have stated before, are doing a magnificent job under very grim and serious circumstances, and they are risking their all, and this kind of thing I am going to quote now seems, as far as I can

learn from talking to them, very trifling and piffling, and we should not be wasting our time in this Legislature discussing it. Maybe I should not even take the time to read it, but I want the hon. members of this House to remember this in the future. The man who was speaking said:

> "Holders of little patronage jobs, all over the province, are being displaced by the Drew Government, but not a single civil servant has been dismissed, except one for cause, since the Progressive-Conservative Government took office last summer."

Do you want me to tell who that was?

MR. DUNBAR: Go ahead and name him. That is the greatest publicity I ever had in my life.

AN HON. MEMBER: And the greatest you will ever have.

MR. MILLARD: "This was the statement of Hon. George H. Dunbar, Ontario Minister of Municipal Affairs, last night

> "As for my own department, no one can dictate to me, Mr. Dunbar told the Kent County Progressive Conservatives. Where little patronage jobs were concerned, he said he would discharge or replace as he saw fit. 'You,' he told the Progressive Conservatives, are now on the inside, looking out. We will tell Mr. Jolliffe, the Ontario CCF Leader, we're here and you're there.'"

That was made by the hon. Mr. Dunbar, speaking to the Kent County Progressive Conservatives.

SOME HON. MEMBERS: Shame, shame.

MR. DUNBAR: Mr. Speaker, just let me answer that. You did not read it all. May I reply as to why I said that? It was because it was thrown across the House at me for six years by the hon. member for Elgin (Mr. Hepburn), "You are there, and we are here," and I repeated it.

MR. MILLARD: Mr. Speaker, I did not intend, actually, to drag any skeletons out of the closet, but now that the confession has been made, I am satisfied to let it go at that.

I want to conclude my remarks with just a short resume

of my visit to the House of Commons at Westminster, because I do believe that I discovered something which assisted the British people in those long, dark days from 1939.

(Page No. 1168 follows.)

I think that the British House of Commons is really democracy in action. I had the privilege and distinction, almost, of sitting in the parliamentary gallery of the Dominion and listening to Mr. Churchill make his report on the Yalta Conference, when he came back to Great Britain.

And, Mr. Speaker, I was greatly impressed both with the speaker and the procedure of the British House of Commons, and I must tell you, sir, that I am afraid if you were in the British House of Commons you would certainly die of heart failure at some of the carryings on over there.

MR. SPEAKER: I am pretty stout hearted.

MR. MILLARD: But I want to refer to something that I am sure the hon. Prime Minister has often witnessed, as well as other hon. members who have attended the House at Westminster, including the hon. members of the Opposition -- that is, the question period.

I believe that the question period is one of the greatest democratic institutions and processes that has ever been devised, and I believe it would be a good thing if the select committee of this House should study the question of the parliamentary system used in the question period in Great Britain. I may take a word to explain how it operates.

The members of the House of Commons who wish to ask questions, put them in writing on the Order Paper, and within two days, unless it is a complicated matter, which requires research and informationand data, the answer is given by the minister concerned two days following the filing of the question on the Order Paper. The questions appear in typed form. I have copies of them here. On the day which I attended parliament --

or one of the days -- there were in all, I believe, some seventy-four questions. Now, obviously, they cannot all be answered in the first hour, which is the time set apart for the answering of questions. But putting the questions on the Order Paper saves time, and if there is a question asked of the Minister of Town and Country Planning, for instance -- or of any of the various ministers -- he gets up and gives the answer, and when the hour is concluded then the balance of the answers are put in the Order Paper, and you have them in Hansard the next day.

But I want to refer particularly to the supplementary questions which are asked. You have the right, under the procedure there, to ask a supplementary question to the question which you have asked, and if you are not satisfied, Mr. Speaker,-- and Mr. Speaker uses his discretion as to when he feels that enough supplementary questions have been asked -- you can move your question to the adjournment -- the adjourning hour during war time being from six to six-thirty, and in about ten days or two weeks, depending on the number of questions that preceded it, the Minister and the member asking the question stage a fifteen-minute debate on the question, if it is considered important enough to carry to that particular time. In other words, there is a short debate on the matter which has been raised in question form.

The point I want to make to the hon. members of this House is this; that keeps the British parliament democratic; that keeps the Ministers directly responsible to the people, through their elected representatives. If a postman or a person giving some kind of civil service in Northern Scotland makes a mistake, or is bureaucratic in his approach to the public, then immediately he can expect

that the member for that particular riding will be contacted and place the matter on the question paper. Then the Minister has to go right back down the line and find out what occurred, and why it occurred, and take the necessary action to see that it does not occur again.

(Page 1171 follows)

I saw that the Parliament of Great Britain, in spite of its size, in spite of the hundreds of members it has, in spite of the difficulties it has gone through, it has maintained close contact with the people and is responsible to the people at all times through the ministery of the various departments and I do highly recommend and suggest to the Hon. Members of the House and, particularly to the government, that consideration be given to, commenting on our rules of procedure and conduct of this House, so that a similar system may be followed here. I think it would bring very great results to us all and I believe it would help to reestablish the government to the confidence of the people that it was their instrument and responsive to them at all times.

One last word in conclusion, I want to express my own personal appreciation to the Empire Parliamentary Association. I suppose every Hon. Member of this House realizes they are a member of that Association of which the Clerk of this House is the local secretary. I was able through Sir Howard D'Aigreville and a letter of introduction to the assistant secretary, Sir Drummond Shields, to receive every attention and courtesy that could be possibly given to me. I attended the sessions of Parliament and watched the debate and the House of Lords. I feel that the Parliamentary Association can be a great unifying influence in the British Commonwealth and in the British Empire and I, therefore, suggest that every Hon. Member of this House give more attention to the Parliamentary Association. I believe it can be a great instrument and may I suggest, also, Mr. Speaker, that the government, the Hon. Prime Minister (Mr. Drew) ascertain the views of this House and if favourable, make representations to the Prime Minister of Great

Britain who is now deciding the form and set-up of the new House of Commons that is being restored after the bombings of 1941, I believe. I should think that the members of Parliament anywhere within the Commonwealth ought to be in a position to attend the Houses of Parliament in any other part of the Commonwealth and, while we would not expect to participate or sit in the members' benches, because we would not be elected representatives, where we might be visiting, but I do suggest some accommodation, some special gallery near the debates and near the level of the Members attending might be arranged. I think if some representation was made to the Prime Minister through the Parliamentary Association that consideration at this time might be given to such an arrangement in the British House of Commons.

I do want to conclude by saying I have found recently and I found in attending at the World Labour Conference the Parliamentary Association is rendering another great service; they have observers attending the Congress in the United States studying the Congressional Record, summarizing Congressional speeches in the Senate, and the House of Representatives and a summary of those speeches are available to all members of the Parliamentary Association. I do think, Mr. Speaker, we would be able to serve our constituents and the Province and the country just a little better if, through this Parliamentary Association, we could have closer communication with the Parliamentarians in other parts of the Commonwealth and with the Congress of the United States.

I have taken longer than I expected, but I hope I have not unduly prolonged the debate and I thank the Hon. Members for their close attention to what I have said.

MR. THOMAS DUFF(Bruce): Mr. Speaker, in rising to make my small contribution to this debate, I do so because of the deep sense of responsibility I feel to the people of Bruce County as their selected representative in this Legislature. Since my election, I have endeavoured to honestly and sincerely serve all the electors of my constituency, regardless of their political beliefs and affiliations. In what I have to say to-night, I believe I will be placing before you the views of all of them.

First of all, Mr. Speaker, I would like to join with the others who have expressed congratulations to the mover and seconder of the address in reply to the Speech from the Throne. It is a serious responsibility for any Hon. Member to have the privilege of opening so important a debate. They performed their allotted tasks with distinction in the well-established and considered speeches which they delivered. They opened the debate on a high plane and it is my hope that this standard will be maintained, not only in this debate but through all the proceedings of the House during this Session.

Speaking as the representative of Bruce County, I speak with some assurance, because of my knowledge of the contributions which Bruce County is making to the welfare and well being of the Province of Ontario. There are other sections of the Province with greater and more concentrated populations, but in proportion to its area, its people and its location, I think that Bruce County is contributing to the Provincial Treasury of Ontario in revenue a sum which is higher than the average. As a County with great natural attractions in scenic beauty and resources of game and fish, it has for many years attracted thousands of tourists

to its many resort centres. Through them, large revenues have been contributed in gasoline tax revenues, liquor revenues, game and fishery licenses, to mention only a few of the sources of revenue from Bruce County which have enriched the Provincial Treasury to an extent out of proportion to the amounts which have been spent from the Provincial Treasury in the development of the resources and requirements of the County.

I have mentioned this in passing, Mr. Speaker, because I feel it has some bearing on what I now propose to say. It is true that many lines of development have been suspended during the years of the war and with our first objective the winning of victory, it is only natural that some of the things which are so much needed have to be held in abeyance. But the day is coming ever closer when the war will be over and it will be possible once again to devote our money and our energies to the pursuit of peace, to the development of those resources which are needed to promote the prosperity, contentment and comfort of all the people of this Province and of my own County.

Looking forward to the postwar period, so far as Bruce County is concerned, -- and I think this applies to other sections of the Province as well, -- one of our greatest possibilities for profitable trading with our neighbours to the south, lies in the expansion and development of our tourist industry. Bruce County, with its long expanse of beautiful shore line, its many fine tourist resorts and its resources of fish and game, is a fertile field for the cultivation of facilities which are needed to cope with the growth of tourist trade which is sure to come when restrictions on travelling are removed. No section of the Province can

offer greater natural attractions to the tourist, but in order to have them coming back year after year we must offer them more than good roads and fine scenery. We must develop facilities and accommodation for them at locations where these will be appreciated and necessary, and in so doing provide a means of livelihood for the increased numbers of our people.

One of the problems to be faced in the immediate postwar period, and one about which we hear a great deal in this House and outside, is that of returning our men in the armed forces to useful employment when they come back home. In what I have to say I would like to suggest several constructive sources for their employment, and in developing tourist resorts and facilities, I think we have one of the most promising of these, particularly for the men who went away from our own section of the Province and want to settle down there on their return. I would like to suggest to the Minister of Planning and Development that in any proposals for the setting up of tourist trade facilities, he give serious consideration to reserving the operation of these solely for those who will be coming back from the armed forces.

The county of Bruce, like so many others, Mr. Speaker, is a rural county. It has a background of good agriculture, but a sound rural community consists of more than farms. To be sound, and to provide the best kind of living for farm people, it must have well-established and prosperous villages and small towns. No matter what the attractions of the large cities may be, it is my belief that the best kind of living is that which is found in a busy rural village in the centre of a well-balanced agricultural area. But, in order to maintain that balance, it is necessary to pay more attention to the development of the towns and villages. They

cannot be expected to prosper merely as the centre of rural areas. They need industries which will provide employment for their people, and in the years after the war, one of the outstanding needs of our province will be the development of these villages and towns by the decentralization of industry.

It is common knowledge that the great industrial effort which Great Britain has made in the production of munitions and armaments of war was made possible by just such a decentralization of industry, by going out into the small communities and establishing industries in the quiet rural areas. That is the type of programme which is needed for Ontario in the postwar years, and it is a programme peculiarly adapted to the needs of Bruce County. There is a great field for the development of industries in the small centres in the processing of farm products. It does not seem economical to me to transport these farm products to the City of Toronto, to have them processed there in areas of high property costs, high wages and high living costs. It is economically sound to suggest that the closer these farm products are processed to the point of their production, the more economically they can be processed and the more money will be returned to the original producers on the farms.

MR. MILLARD: If I may ask the hon. member a question, does he feel that the same rule applies to all farm products?

MR. DUFF: It applies to all the products of Bruce County, and I think to the products of other counties too.

MR. MILLARD: The point I want specifically dealt with --

MR. SPEAKER: The hon. member may ask a question with permission but he cannot make an argument.

MR. MILLARD: I wanted to ask if the hon. member feels that meat packing, for instance, can be done as cheaply on a local basis as it can be done in a centralized plant.

MR. DUFF: I have tried to make plain to the House and to the hon. member what I was talking about. I was speaking of Bruce county.

These processing plants, such as creameries, cheese factories, dehydration plants, canning factories and even meat packing plants, can be developed to build up the towns and villages close to the farms, and to increase the returns to the farmers for their products. And by the development of such industries it will be possible to open up another source of employment for our returning war veterans.

This leads me naturally to another type of development which is required in Bruce county. Before such industries can be established successfully, it is vital that they must have electric power at rates which are comparable to those available to industry in the large centres of the province closer to the source of hydro-electric power. At present, our towns and villages are

suffering from the inequalities in rates for electricity. Why should the municipalities in Bruce county have to pay $39 a horsepower for power while communities nearer to Niagara Falls pay only about $20 per horsepower? The power resources of the province are the property of all its people, and should be available to all of them on equal terms. In Bruce County, we have a splendid source of cheap power right at the door of our own people, but it has not been developed. On the Saugeen river there is a potential source of 10 000 horsepower, which, according to the figures of the Hydro-Electric Power Commission, can be developed at a cost of $20 per horsepower, That power should be developed and made available to the towns and villages in Bruce county and the surrounding district for the use of their present and future industries, as well as for the extension of cheap hydro power to all the farms now without power throughout that area of the province. That is one way in which power in our area can be cheapened and in which further means of employment for war veterans can be provided. So I would ask that the Hydro-Electric Power Commission, in planning for post-war development, give serious consideration to the possibilities of utilizing the power resources of the Saugeen river.

This brings me to another subject of tremendous importance in post-war development, that of reforestation and conservation of our land resources. This is a subject which is more vital to the county I represent than to any other country in the province of Ontario. In our county we have large areas of land which have been cut over, but which are not suitable for agriculture. They have no productive value. As a result of the cutting down of

far too much of the original timber in the county, there is a great lack of moisture. Wells are going dry in areas which formerly had a plentiful water supply. Streams which years ago had enough water for the operation of grist mills and saw mills are now practically dry. All of this is due to the disappearance of forest cover from too much of our land, and if we are to maintain a permanent agriculture in Bruce county, indeed, in the province as a whole, this situation must be remedied.

This remedy can never be applied, Mr. Speaker, unless it becomes a definite matter of state policy and state support financially. According to figures produced by the Department of Lands and Forests, there are in Bruce County 250,000 acres of land that should be reforested. Obviously, that is a task far beyond the scope of the municipalities of the individual farmers. It represents a situation which can only be remedied by operations on such a scale that the province is the only agency which can undertake them. What I would suggest for the consideration of the government is that plans be developed for the province taking over these large tracts of land, reforesting them and fencing them in, so that the forests will be preserved for posterity and make the greatest possible contribution to the maintenance of agriculture.

Apart from the magnitude of this project, there is also the fact that when any project is undertaken from whichthe benefits go to the whole of society, the state should bear the financial burden. The farmers in this area will not, in their lifetime, reap the benefits of reforestation. But there will accrue to the state, in time, large revenues from the forests thus created, and the state

should therefore undertake the task of reforestation on a large scale. Here, again, is a project which has tremendous possibilities for the employment of the men of the armed forces for many years to come, in work that will be congenial to them, and will give them the opportunity of making their mental readjustments in wholesome, outdoor employment.

During the last year we have heard a great deal about the government taking over the Union Stockyards at Toronto. So far, however, this has not been of any benefit to the farmers. The marketing of livestock has gone on just as before, through the drovers and commission men, and the farmers are paying just the same charges as they have always done. I have no fault to find with the commission men on the stockyards. They have their business to do, and I think they are doing a good and honest job. But it is only natural that they should give their preference in attention to the farmers who are their steady customers, who are shipping every week or so, and to pay less attention to the stock of farmers who ship only once or twice a year. I have seen that happen on the stockyards, in cases where the steady customers' cattle were given priority and sold first before any attempt was made to deal with the animals from the occasional shippers. That is perhaps only natural, but I would like to suggest, Mr. Speaker, that the new Ontario Stockyards Board could render a valuable service by setting up its own alleys to handle the stock of the occasional shippers and the individual farmers, so that they will be given just as fair a break on the market as those shipping regularly to commission houses.

We have also heard a great deal about efforts to improve the quality of our Ontario live stock, and particularly

our cattle. It is my opinion, Mr. Speaker, and there are many who agree with me, that it is useless to try to secure any general improvement in live stock quality until a proper premium for quality is passed right back to the producer. As matters are now, the producer of good quality cattle is penalized because of the large amount of poor grade cattle coming on the market. The consumer must know what he is buying, and when he does he will pay a premium for the best quality, and that premium must be reflected in what the producer receives for his animals. The only way in which that can be done so successfully with hogs. The producer will never receive the full premium from quality cattle until it has been determined what is inside the hide of the animal, and until there is a much greater differential in price between top quality beef animals and those of poorer grade, which are after all only the by-products of the dairy industry.

I have mentioned the grading of hogs. It is my belief that some consideration should be given to the matter of weights in hog grading, and that the bonus should be paid on the basis of the weights most suitable for producing sides of bacon suitable for the British market. If we are to maintain any part of that British market after the war, there will have to be still more improvement in our hogs. At present we are producing only about 35 per cent of Grade "A" hogs, and that is the only grade that is really good enough for the British bacon market. B-1 hogs are not good enough.

MISS MACPHAIL: Do you think some of them go over?

MR. DUFF: Possibly. After the war the bonus on the B-1 hog should be eliminated and added to that paid for the Grade "A" hogs. If we are to do that, we should not wait until after the war to check up on our hog grading, but

should start now to lay the foundations for a continuing prosperous hog industry.

There is only one more matter to which I would like to refer, Mr. Speaker. It has been intimated in the Speech from the Throne that there is to be a reorganization of the Ontario Agricultural College. That may be necessary and desirable for the specific purposes of instruction and research, which are the main functions of the College. But from the standpoint of the operating farmer, the College is too far removed from the farm for the general application of the results of its work to the farms throughout Ontario. Operations at the College are at a level far above that of the average farmer. What we need is to have a system of demonstration farms across Ontario with one in each county, where, on an average farm of 100 acres, operated at the practical farmer's level, the better modern practices will be used and demonstrated in livestock breeding and raising, crop improvement and all the branches of farming in which our average farmers can see for themselves, at their own level, the benefits of improved practices. I would like to see such a demonstration farm established in Bruce County, so that our farmers could visit it with little effort and could see for themselves how to increase their farm income by doing a better job.

I wish to thank you, Mr. Speaker, and the members of this House, for your indulgence. If I have seemed to labour unduly the needs of Bruce County, it is because I believe sincerely that what is good for Bruce is good for all of that large section of Ontario in which agriculture is predominant. These rural areas are the most important part of the province. Without a sound agriculture and

a prosperous and happy rural people, the whole of our national economy is doomed to disaster. But if in our postwar planning that important fact is kept in mind, it will be possible for those in places of responsibility to make a lasting contribution to the future welfare and well-being of all our people.

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(Page 1184 follows)

MR. NELSON ALLES (Essex North). Mr. Speaker, we have no time for negative criticisms of the Speech from the Throne.

It is gratifying that the Department of Labour has been able to function as well as it has in the past year.

I hope that it is an indication that we have come to recognize the rights of labour and to accept collective bargaining as a necessary part of our democracy.

Actually, labour unions have come about as a result of an expanding industrial system as you all know.

In days when manufacturing plants were smaller, the employer was in closer touch with his employees but with the development of industry there is a great gap between the employer, and in many cases, his thousands of employees.

The employer, even if he is willing to understand the problems of his workers, even if he is sympathetic, which I regret to say is not too often the case, still is unable to deal personally with conditions throughout the plant and with the problems of his workers and it is absolutely necessary that workers organizations bridge this gap.

In an older democracy, such as Great Britain, practically all the workers are organized and no one regards this as in any way radical but as a perfectly natural, democratic development.

It is taking a long time for that admirable state of affairs to come about in our own less advanced country.

There have been some employers so old fashioned, so far behind the times and so ill informed as to try to convince the government and the country that trade unionism is almost a subversive element, rather radical and even slightly dangerous.

However, even these employers must realize now that it is necessary to accept the trade union movement as a natural and inevitable development which must be recognized

in a country which is becoming more and more industrialized.

A strong trade union can and does lead to greater co-operation between labour and management when both adopt the proper attitude.

The fact that Canada's wartime production shows a record, of which we can well be proud, goes hand in hand with the fact that the trade union movement has developed and grown and become strong during our wartime years.

A democratic movement such as the trade union movement if sympathetically nurtured and aided at the proper time is not only an aid to greater democracy through expressing the thoughts of large bodies of people, but is also a safeguard against the tide of reaction which swept away so many of our democracies in the past and led to this present conflict.

When the trade union movement disappeared in Germany, swallowed up by an unsympathetic government, Nazilism, the worst form of reaction reigned supreme.

Therefore, I say that this growing trade union movement still in its early stages in Canada and still endeavouring to grow under the difficulties of inadequate legislation must be aided sympathetically and with our utmost understanding at this time.

There has never been any question of the labour movement in Canada being dangerous.

Most of us here are advanced enough to know that now.

Yet democratic forces which are balked when they should be aided often do lead to chaotic conditions and do retard our progress toward a stable and prosperous society.

I say, therefore, that the greatest and most valuable thing we can do here in this session will be to amend inadequate legislation to suit the needs of the day.

Our recommendations have been drawn up and prepared

by labour experts representing the membership of leading trade union bodies in the country.

I say that anything short of the carrying out of these recommendations will fail to fill the requirements demanded by present conditions.

Briefly, these recommendations are as follows:

(1) Applications and Certifications -

Section 5 (1) provides that "the employees of any employer may elect bargaining representatives by a majority vote of the employees affected."

In the first place, criticism is directed at the certification of "bargaining representatives" rather than "bargaining agencies".

Certification of a "bargaining agency" would mean recognition of the trade union.

Certainly it is the Union that workers join, and not the bargaining representatives.

Too much stress is placed on "bargaining representatives", and not enough on the Trade Union which, after all, is the Petitioner.

(2) Election of Bargaining Representatives.

Secondly, it has already been pointed out by the Leader of the CCF opposition that the practice of conducting elections under these regulations is contrary to the very basis of our democratic society, Municipal / Provincial / Federal elections

I refer specifically to Section 5 (1) and (2) where bargaining representatives must be elected by a majority of the employees affected.

After the Board has satisfied itself that the applicant union has a majority of the application cards signed, they can then order a vote to be taken.

In other words, a union must satisfy the Board by two different methods that a majority of the employees wish to be represented by the applicant union.

Delay is the damning factor here involved, for it allows an anti-union undemocratic company to take advantage of opposing certification of a union without actually violating section 19, which deals with unfair practices.

(3) Negotiations for an agreement.

The UAW in Windsor has had to deal with a number of managements who do not care to bargain in good faith.

For example, under Sections 10, 11, 12, 13 and 14, after a union has been certified, management may suggest an agreement to the union in which it would be impossible for the union to carry on either its bargaining or administrative functions.

This, along with the fact that the report of a Conciliation Board is not final and binding presents the Union with the ultimatum that it must either accept an inferior agreement or request the Department of Labour for permission to take a strike vote.

(a) Union Security

We are all agreed that Collective Bargaining is a natural outgrowth of the democratic system as witnessed in the other great democracies of the world - Great Britain, the United States and Soviet Russia.

As Collective Bargaining evolved democratically, so "Union Security" will follow.

At present trade-union organizations controlled and regulated by the provisions of P.C. 1003 and faced with the

problems of the post-war are anxious to obtain provisions in their Collective agreements which will provide a reasonable measure of security for the continued existence and functioning of their trade unions.

It is generally agreed that the trade-union movement is in favour of uninterrupted production as long as our boys are fighting to build a world free from facism. It is only fair to assume that a greater measure of co-operation will be demanded of both in the days of peace to follow.

(b) Conciliation Boards.

I refer here only briefly to Conciliation Boards, because it is obvious that they have no authority and that their final decision is not binding, under these regulations.

(c) Renewal of Collective Agreements.

(d) Grievance procedure.

Sections 17 and 18 deal with grievance procedure, but only in the terms of arbitration procedure.

That is, only disputes arising out of the interpretation or the violation of an agreement may be dealt with.

In other words, grievances that are not included in the agreement, which probably might arise through changing conditions and circumstances, cannot be dealt with as legitimate grievances.

It would not be difficult to insert a clause in collective agreements covering this point, but when such is attempted on the part of the Union, managements almost consistently refuse.

4. Prosecutions.

The effect of Section 45 means that if a Union should

obtain permission to prosecute an employer and be successful, the expense of prosecution must be borne by the prosecuting party.

The position of organized labour on this point is that by their success in prosecuting they would only be upholding the law, and in all fairness they believe the expense and responsibility incurred should rest with the Board.

5. Delay

The experience of the Labour movement in dealing with the procedure established under the regulations of P.C. 1003 leads to the belief that there is too much red tape, which in turn causes delay.

Delay is one of the deadliest weapons of the anti-union undemocratic employer.

It causes unrest and dissatisfaction in the minds of the workers and does not help to create that feeling of cooperation which is supposed to be one of the pre-requisites for the successful administration of any Labour code.

As indicated previously, I intend to deal briefly with P.C. 9384, the Wartime Wage Control Order.

In the opinion of many of our leading trade unionists in Canada this ruling of the National War Labour Board takes the place of the function of free collective bargaining, and as the war progresses should be provided with a more flexible approach.

Allow me, Mr. Speaker, to quote from the Order, in part, dealing with the authorization of wage increases, "Only if and to the extent that the National Board finds that such increased rate or range is necessary to rectify a gross inequality of gross injustice."

The terms "gross inequality" and "gross injustice" may be subjected to a variety of interpretations.

As an illustration, may I cite the case of Local No. 1 of the National Union of Food Processors in their appeal to the Ontario War Labour Board for an increase of 5¢ per hour for men and an increase of 5½¢ per hour for women.

The Canada Starch Company of Cardinal, Ontario, stated its position as being only prepared to grant a wage increase to both men and women amounting to 3¢ per hour.

In reviewing the case the Ontario Labour Board decided that a situation of "gross inequality" and "gross injustice" existed, and awarded the Union their appeal.

The Company appealed the decision of the Ontario Labour Board to the National War Labour Board, who, in turn, decided to deal with the matter as if it had come to them for "decision in the first instance".

The result was that the decision of the Ontario Labour Board was set aside, and "an increase of three cents an hour", which the Company was prepared to pay, was allowed.

The importance of this illustration makes it only too clear that the whole Order in Council and its adminis- must be examined and amended without delay.

These recommendations are outlined at greater length by the committee established by the Canadian Congress of Labour and form the basis for the amendments to be considered by the labour committee appointed in the House.

It remains only for the labour committee to follow these recommendations, implement them, and place them before the House.

Since every recommendation is a logical and reasonable one, I trust there will be no reason, whatever, for anyone to conscientiously refuse to accept them.

Ontario is the most highly industrialized province in the Dominion, and must lead the way in advanced labour legislation as it has so admirably led the way in production to meet wartime needs.

Democracy must progress or decay, and thus every step forward in the form of more advanced legislation is a guarantee of the democracy for which our gallant forces are fighting.

It was interesting to note in the Speech from the Throne that the Department of Highways and the Department of Public Works have comprehensive programmes to provide post-war employment to fill in the gap between wartime and peacetime production, and that the Department of Planning and Development will deal with town planning.

It is also gratifying to note that the Government proposes to put through enabling legislation, so that municipalities can take advantage of the offer of the

(Page No. 1187 follows.)

Dominion Government to aid financially in national housing.

These are the elementary steps to be taken in providing employment in the immediate postwar years.

The hon. members of the opposition maintain that only a socialist government can meet the problem of full employment in peacetime.

While there seems to be no immediate possibility of a socialist order coming about, it remains for the capitalist system, which is on trial for its life, to meet the demand for full employment or its failure will justify this opinion.

It is no longer a question of political theory, the "proof of the pudding" lies ahead.

It is largely a question of what we do in this House as far as this Province is concerned.

There are those on the other han who maintain that throwing out the present system in favour of another much like "throwing the baby out with the bath water".

To be perfectly practical I can only say, since socialism is not an immediate possibility it is up to us to make the present system work.

I say that the measures outlined in the Speech from the Throne for postwar employment are elementary because while they take up the slack and are very necessary for that purpose for the time being, they are only for the time being and must be followed by more planning.

MR. A. KELSO ROBERTS (St. Patrick): Mr. Speaker, in view of the lateness of the hour I move the adjournment of the debate.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, before I move the adjournment of the house, I might say we will proceed with government orders tomorrow and be sitting tomorrow night. I move the house do now adjourn.

Mr. JOLLIFFE: Do I understand we will be sitting tomorrow night to proceed with bills or with the debate.

MR. DREW: Well, I frankly think that with some of the lengthy bills before us we will have plenty to do tomorrow night. I mentioned to the hon. Leader of the Opposition in conversation, and I should mention in the Legislature that we propose to call the order dealing with Supplementary Estimates. That is not part of the budget debate but applies to the payment out of the past year's funds. We will proceed then with the other government orders, and if there is any time unfilled, the hon. member who has adjourned the debate will continue.

MR. JOLLIFFE: Mr. Speaker, I wonder if it would be possible for the hon. members to know now whether there will be any sitting Thursday night.

MR. DREW: I think we should continue to sit at nights. We have had the preliminary examination of the bills by the committees and so on, and I think we should get at the business of the house at night as well as in the afternoon.

MR. JOLLIFFE: I would agree until eleven o'clock.

MR. DREW: I have no thought of pressing the hon. members, and the very reason that I suggest doing this is to avoid the necessity of carrying on later than eleven on any occasion. I might say now that I do not want a repiti-

tion of what took place last year when we were crowded so much, and I can go back to a fact apropos of the remark made by the hon. member for York West (Mr. Millard) that I feel there are a number of amendments which could be brought down in regard to the practice and the rules, and I think in the near future we should consider the advisability of bringing in the Estimates much earlier, so that we could fill in the odd half or three-quarters of an hour with Estimates which are always ready to be called. For instance, this afternoon we could have taken the Estimates of some Department which probably would not be debatable and could have filled in the extra time.

MR. NIXON: May I ask the hon. Prime Minister what the procedure will be in connection with the vote of this $8,000,000 for Education. Will Mr. Speaker not have to leave the chair and the house resolve itself into a Committee of Supply.

MR. DREW: Yes, that is right. Notice of motion has been given to go into Committee of Supply, but it is not to deal with a projected payment; it is to deal with the paymebt out of this years' funds.

MR. JOLLIFFE: As I understand it -- and I would be interested to hear what the hon. member for Brant (Mr. Nixon) has to say about it - these Supplementary Estimates are really a part of the current year's budget, and not a part of the budget which will be later considered for the year ending March 31st, 1946.

MR. DREW: Yes, that is correct.

MR. NIXON: It has not been the practice since the fiscal year was changed to have Supplementary Estimates.

MR. DREW: I quite agree that this is not the usual procedure, calling for Supplementary Estimates to fill in.

We have a speciric purpose in paying this particular amount, and it does actually carry out the suggestion that was made, and we had intended as well to do that. The suggestion has been made elsewhere that these payments should be made to the school boards as soon as possible because it is a very great advantage to them in dealing with their financial programme for the remainder of the year.

Motion agree to and the House adjourned at eleven o'clock.

THE LEGISLATIVE ASSEMBLY

TWENTIETH DAY

Toronto, Ontario,
Wednesday, March 14, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at three o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

HON. LESLIE M. FROST (Minister of Mines): Mr. Speaker, in the absence of Mr. Roberts (St. Patrick), I beg leave to report Bills No. 41 and 42, which were deliberated upon by the Legal Bills' Committee. I have here the official report.

CLERK OF THE HOUSE: In the absence of Mr. Roberts (St. Patrick), Mr. Frost begs to report the following bills, with certain amendments: -

Bill No. 41, The Securities Act, 1945.

Bill No. 42, formerly intituled "An Act respecting Prospecting Syndicates having a capital not exceeding $10,000," and now intituled "An Act respecting Prospecting Syndicates having a capital not exceeding $35,000."

Motion agreed to.

HON. GEORGE H. DOUCETT (Minister of Highways): Moved by myself, seconded by Mr. Blackwell, that leave be given to

introduce a bill intituled "The Sugar Beet Subsidy Act, 1945," and that same be read a first time.

Motion agreed to and bill read the first time.

MR. EDWARD B. JOLLIFFE (York South): Would the hon. Minister explain?

MR. DOUCETT: This bill is to extend the Sugar Beet Subsidy Act, the same as in former years, paying up to $1.55.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I move, seconded by hon. Mr. Frost, that leave be given to introduce a bill intituled "An Act to amend the Fire Departments' Act," and that same be now read a first time.

Motion agreed to and bill read a first time.

MR. ROBERT LAURIER (Ottawa East): I would ask the hon. Attorney General to explain.

MR. BLACKWELL: Mr. Speaker, this is not a mandatory bill. It is an enabling bill, which enables any municipality to establish the platoon system in its fire departments.

2. MR. SPEAKER: Orders of the Day.

MR. MITCHELL F. HEPBURN (Elgin): Before the Orders of the Day are called, on a point of order, the other day the hon. member for Perth (Mr. Dickson) asked a question of the hon. Minister of Highways, which reads as follows: "Has the Minister of Highways issued directions asking that all gasoline tax collectors' bonds be handled through one source?

"If so, what was the 'one source'?

"What is the total amount of bonds required from gasoline tax collectors ? "

The answers read as follows:

"1. No."

In other words, no instructions have been issued.

"2. Answered by No. 1.

"3. The total amount of bonds involved, $2,139,000."

I submit to you, Mr. Speaker , that this question is entirely wrong, because I want to submit to this House copies of a letter, - at least, one copy, - which was sent out, and which I shall read to the House. This letter was signed by J. H. Robinson, the Chief Inspector of Gasoline Taxes, and it reads as follows:

"McManus Petroleums, Limited,
225 Rectory Street,
London, Ontario.

Dear Sirs: Attention F. J. Moore

"I have been instructed by the Minister of Highways to advise you that, in accordance with the Gasoline Tax Collectors Articles of Agreement, your company is required to furnish this Department with a bond for $45,000.00 to assure payment of your collections of the Ontario Gasoline Tax.

"The Department has just completed negotiations with regard to the matter of premium charges. Satisfactory arrangements and underwriting conditions have been made available by an understanding that all collectors' bonds be handled through one source. To this end, arrangements have been made with the A. E. Wilson Company, Limited, Lumsden Building, Toronto, at the following rates:"

And there follows a schedule of the rates.

"Participation in this group plan is optional. However, may we point out that, where the group plan is not adopted, and bonds are obtained elsewhere, the premium rates may be higher.

"Dominion of Canada or Province of Ontario bearer securities may be submitted in lieu of the above plan.

"Will you kindly advise this Department at your earliest convenience as to your arrangements in this regard.

"Yours very truly,

(Signed) J. H. Robinson."

I want to send a copy of the letter to the Labour Progressive Party, to the hon. Prime Minister and to the Leader

of the Opposition (Mr. Jolliffe).

I submit, Mr. Speaker, that the question, the reply to which appears on page 126 of the Votes and Proceedings, is entirely in error, because there, definitely, the hon. Minister of Highways has intimated that insurance be placed with a definite company with which, I am informed, he has been associated himself as an insurance man.

HON. GEORGE H. DOUCETT (Minister of Highways): This is just about what I would expect from the hon. member for Elgin. Might I say that I have nothing, whatever, to do with the sending out of this letter.

MR. HEPBURN (Elgin): Just a minute, Mr. Speaker, --

MR. DOUCETT: I have the floor.

MR. HEPBURN (Elgin): He will have to reprimand the Chief Inspector.

MR. DOUCETT: The hon. member for Elgin has not seen fit, to-day, to read in this House a letter, -- I would like him to read the other letter that goes with it, and then this honourable House will have the proper circumstances surrounding the whole subject, and if you do not read that letter, I will do so at a later date.

MR. HEPBURN (Elgin): I just want to draw your attention to the opening sentence, and I understand Mr. Robinson, to make sure that he was prompted, - he said he was in this letter, when he states, "I have been instructed by the Minister of Highways to advise you that ...." and it follows that "that" is to place insurance with the company with which my hon. friend has been associated as an agent, and he cannot disassociate himself with that.

I do not know how many letters of this kind went out, but I will submit to the Clerk of the House, through a resolu-

tion, that there be laid before the House a copy of the letter written on the official letterhead of the Highways Department, the gasoline tax branch, suggesting that their bonds be handled through one particular agency.

Will the hon. Minister deny he has ever been associated with this company in any way?

MR. DOUCETT: I have no intentions of denying it, and I feel it an honour to be associated with a company of this type, but I do deny the fact of having anything to do with this letter's being sent out, and, if you are fair, you will produce the letter that says they can file bonds of any type, as set out by the Department, and that they have done.

There is a lot I could say about the petroleum company you are talking about, but you interceded. You came to me to get certain privileges which I refused, and now you leave the matter before the House, and if you are going to make some restitution with your friend for what has been done in this regard, all right, but I deny it, entirely.

MR. HEPBURN (Elgin): The letter was sent out long before the party of the first part in this letter.- It was handled in a most abominable manner by the hon. Minister, because he gave the letter to the public.

That is why you uprooted me, and I am asking a complete investigation be held in this matter, and I will ask that Mr. Robinson be summoned to appear before the committee of this House, to ascertain whether, or not, he was right, (and I have reason to believe he was,) when he said he had been instructed by the hon. Minister of Highways and advised to place insurance with the company with

which you were associated.

MR. DOUCETT: I think the hon. member for Elgin is going too far in inferring that I am a part of the company. I am not associated with the company, no more than with any other insurance company. I have done business with them, but, as far as being a part of the company, I am not, and never was.

MR. HEPBURN (Elgin): I said you were an agent of the company. I asked a question, but we will have a complete investigation into this. This is unprecedented.

MR. SPEAKER: The whole thing is out of order. I have had no notice of the question. If you care to give me a notice.

MR. HEPBURN (Elgin): Do you think it is in order for the hon. Minister of the Crown to instruct people to do business with a certain company with which he has been associated, as Minister?

MR.SPEAKER: I know nothing, at all, about it.

MR. HARRY NIXON (Brant): This was raised on a point of order, challenging an answer to a question.

MR. HEPBURN (Elgin): May I just read you this question: "Has the Minister of Highways issued directions asking that all gasoline tax collectors' bonds be handled through one source?" And the answer is "No."

Here I have produced a letter in which J. H. Robinson, who is the Chief Inspector, says, "I have been instructed by the hon. Minister of Highways to advise you that, in accordance with the Gasoline Tax Collectors' articles of agreement, your company is required to furnish this Department with a bond for $45,000 to assure payment of your collections of the Ontario Gasoline Tax.

"The Department has just completed negotiations with regard to the matter of premium charges. Satisfactory arrangements and underwriting conditions have been made available by an understanding that all collectors' bonds be handled through one source. To this end, arrangements have been made with the A. E. Wilson Company, Limited,"

Now, I question him, Mr. Speaker, as regards the accuracy of the answer made to the hon. member for Perth (Mr. Dickson) in reply to the question put to the hon. Minister of Highways. The answer was "No." Is it "No" or is it "Yes"?

MR. DOUCETT: May I ask the hon. member if he does know that a letter was sent out to cancel this as soon as it was brought to my attention?

MR. HEPBURN (Elgin): After you were caught, probably. This letter was dated April the 11th, 1944. You give me the date of the letter you sent out cancelling it.

MR. DOUCETT: You know very well.

MR. HEPBURN (Elgin): After you were caught you sent it out.

MR. SPEAKER: There is a way of getting these things before the Orders of the Day, and that is by giving me notice before the House opens. If the hon. member for Elgin (Mr. Hepburn) agrees to give a notice, I will accept the notice.

MR. HEPBURN (Elgin): Are we entitled to honest answers, or not?

MR. SPEAKER: Yes. You might ask a question of the hon. Minister, and you have your answer, but it is not debatable. I want to help you, if I can. If you give me a notice, I will accept it.

HON. GEORGE A. DREW (Prime Minister): I think I should

point this out, in view of some of the remarks that have been made that the speaker who has raised this point has not given notice, and it is out of order. If it were not the hon. member for Elgin, and any other hon. member of this House, I would ask for a withdrawal, but I shall not do so in this case.

MR. HEPBURN (Elgin): You can do anything you want, I will stake my seat.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): I would like to know whether the hon. member for Elgin (Mr. Hepburn) is giving a notice on motion, or not. I think it should be investigated, and I think the House is entitled to know whether the hon. member is moving to that effect, or is not.

(Page No. 1199 follows.)

If there is any truth in the letter a copy of which I have received, I think there should be an investigation because it is entirely inconsistent with the answer which appears in the Votes and Proceedings.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I might point out that the hon. member's motion is quite unnecessary in view of the fact that the Minister of Highways (Mr. Doucett) has assured the hon. member and the House that he will welcome an investigation, and I need hardly add anything to that. There is a perfectly proper way of bringing this matter up and the Government will welcome a complete investigation of all the facts.

MR. DOUCETT: That is what I would prefer.

MR. HEPBURN (Elgin): I have submitted to the Clerk a resolution asking that all letters of this kind be tabled. This particular letter was dated April 11th, and I questioned Mr. Robertson whether the Minister had instructed him or not, and he said definitely that the Minister had given him instructions to send out word to all those who were gasoline tax collectors to place their insurance with the company with which the Minister is associated. I welcome a House investigation, but first I want to have all the correspondence tabled. I have already submitted my motion to the Clerk and I ask that the motion, seconded by Mr. Nixon, be now put, that a complete investigation be held and that all the correspondence be tabled immediately.

MR. SPEAKER: Two days notice of the motion are required.

MR. DREW: This matter will be placed before the Accounts Committee. That is definite, so there is no need for this motion.

MR. SPEAKER: Orders of the Day.

MR. DREW: Mr. Speaker, in accordance with what I explained to the House yesterday I am calling Order 56.

HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, I move that you do now leave the chair for the House to resolve itself into committee of supply to consider supplementary estimates for the fiscal year ending March 31, 1945.

MR. M. F. HEPBURN (Elgin): Mr. Speaker, I would recall to your attention and that of hon. members, that the other day when the Prime Minister (Mr. Drew) asked for permission to bring down the budget he said that before we went into supplementary estimates he would consult with the Leader of the Opposition, the Leader of the Liberal group and the Leader of the Labor-Progressive party. That has not been done.

I do not see any undue haste about this thing. As a matter of fact the fate of this Government is hanging in the balance. There is an amendment and a subamendment pending, and before we vote supply to this Government those amendments should be voted upon.

MR. DREW: Mr. Speaker, I said quite clearly, and I think that most other hon. members will remember it perfectly, that we would not proceed with the budget debate, and we have no intention of doing so, without first consulting with the leaders of the other groups.

The purpose of the motion now before us to go into committee of supply is simply to provide for making an advance payment to the school boards of this province which has already been suggested here. It has nothing whatever to do with the budget for the coming year. It is a payment out of the funds of the past year to the

school boards of the province. It has nothing at all to do with the budget debate.

MR. HEPBURN (Elgin): I have not a copy of Hansard before me at the moment, but if my memory serves me correctly, and I believe it does, the Prime Minister said that before he asked us to vote supplementary estimates he would consult the Leader of the Opposition, the Leader of this group, and I believe he also included the Leader of the Labor-Progressive party. Before we proceed further with this motion I would like to get a copy of Hansard to ascertain whether my assumption is correct that that is the statement which the Prime Minister made at that time.

MR. E. B. JOLLIFFE (Leader of the Opposition): The transcript of what was said will no doubt tell the story. My own recollection is that the statement made by the Prime Minister was with reference to the continuation of the budget debate. I think that not much was said at that time about supplementary estimates. They were mentioned last night when the hon. member for Elgin was not able to be here. But the hon. member for Elgin would be correct in saying that the Prime Minister undertook that the budget debate would not be continued without first consulting with the leaders of other parties.

MR. FROST: I am quite prepared now, Mr. Speaker, to state the purpose of our wanting to go into committee of supply, and I am prepared to give the House the fullest information on the matter. I presume that this motion is debatable. I have no objection to giving a full statement of the purpose of the motion right now, putting all the cards on the table face up, to use an everyday expression, so that hon. members and the people of the province of Ontario will know just what the purpose of this motion is.

We are undertaking in this year a financial operation of the first magnitude so far as the costs of education in this province are concerned. I will give a few figures to show the importance of what is being done and the necessity now, without further delay, of our taking steps to give assistance to the municipalities of Ontario.

First of all I should like to give the House an indication of the magnitude of the financial operations which we are undertaking.

The proposed payment to the school boards of Ontario for public and separate school grants payable to the municipalities or to the school boards in their fiscal year, January 1 to December 31, 1945, amounts to no less than $17,615,950. The grants paid last year to public and separate schools totalled $5,850,000; to continuation schools $195,000; to high schools and collegiate institutes, $685,000; to vocational schools, $1,351,800. That makes a total of grants paid last year, in 1944, of $8,082,700. This year these corresponding grants will total $25,803,450. I shall be very glad to give details of these figures to any member of the House who cares to have them.

Let me indicate the financial problem which is created for the municipalities by giving one or two examples.

Take the city of Chatham, for instance, represented by the hon. member for Kent West (Mr. Gordon). In 1944 the grants for all purposes to that municipality were $23,578. This year in 1945 the grants to this municipality will be $129,884, in other words a little over five times as much as last year.

Take the city of Ottawa. Last year, in 1944, the municipality's financial year running from January 1

to December 31, the grants to the city of Ottawa were $136,355. This year the grants will be no less than $685,946.

To the city of St. Catharines the grants last year were $34,186.

Mr. MITCHELL: Mr. Speaker, these figures are very interesting but I think we were given most of them the other day.

MR. SPEAKER: What is the point of order?

MR. MITCHELL: My point of order is that these figures are not relevant to the matter under discussion.

MR. SPEAKER: They are quite in order.

MR. FROST: I think they are very relevant as I shall explain in a moment. The grants to the city of St. Catharines last year were $34,186 and this year $285,169.

Take the city of Toronto. Last year the grants were $527,000, and this year the grants total $3,528,000.

My point is this. The fact that these grants are payable by the Government means that these municipalities will in all probability be levying less taxes as they naturally expect this money to come in to finance the operations of their school boards. The point was very properly raised by the Leader of the Opposition (Mr. Jolliffe) inhis address in the Throne debate.

I have other figures which will reflect to hon. members the situation in the province of Ontario and the position in which the school boards generally will be placed.

Take the county of Essex. Take first the township of Anderson. The old grants were $282,000. The new grants will be $1,014,000. In one section the old grant was $300,000. This year it will be $1,132,000, and so on.

In another case the grants last year were $2,776 and this year they will be $6,627.

I have numerous examples I could give from my own riding. Take the village of Bobcaygeon. The grants for public school purposes on the old basis were $958. On the new basis they will be $3,500. In the Continuation school on the old basis the grant was $728, and on the new basis it is $4,177.

In Fenelon Falls the Continuation school received $699, and this year it will receive something in excess of $7,700.

I noticed an editorial in one of the Toronto papers last night referring to rural education and the difficulty of pupils in the rural areas in attending Secondary schools. We have in the province of Ontario a great many places where Continuation schools have been set up. I shall give one example of that to show its operation and to show the financial burden that would be thrown onthese municipalities if we did not deal with this problem at this time.

Take Little Britain in the township of Mariposa, and this is a typical example which you could multiply by one hundred and fifty different cases in the province. The old grant was $520. The new grant is $4,233. That is for Continuation school purposes alone.

One of the effects of these increased grants in my opinion will be that there will be a great growth of Continuation schools in the rural areas which will enable the school children in those areas to go to centres closer to their homes instead of having to go to the larger centres.

That gives the House, Mr. Speaker, some idea of the magnitude of these operations.

MR. MITCHELL: Mr. Speaker, --

MR. SPEAKER: Is the hon. member raising a point of order? What is the point of order?

MR. FROST: I am just coming to the point that my hon. friend is impatient to hear about. The Government in making these grants to the six thousand school boards in Ontario is recognizing its responsibility to pay grants of this size. Now under the old system the grants were payable in the month of August and were often paid in September or October, which meant that the school board or the municipality, as the case might be, would be compelled under those circumstances to go to the bank and borrow money and pay interest upon it in advance of the grants that were payable under the regulations.

The municipal year starts January 1 and ends December 31, and we are now receiving widespread requests for assistance in connection with these grants. The school boards and the municipalities are asking us: "Are you going to pay these grants in September or October or are you going to give us an advance on the money at the present time?" That is a very pertinent question and one that is very important to them. So we are altering the system of payment and the purpose of this supplementary estimate is to enable an advance payment to the school boards of Ontario of approximately one-third of the total grants before March 31st of this year. We have the money in the treasury ready for disbursement. We have a surplus which has been accumulated during the fiscal year ending March 31, 1945, amounting to $8,922,400 and we are asking authority now to disburse to the school boards of Ontario immediately this estimate as given. The cheques are in the process of being prepared, subject to the approval of this House, and when the House approves this estimate the sum of $8,808,000 will be immediately disbursed

to the six thousand school boards of Ontario. That is more than the total of the grants paid last year or in any preceding year.

There is no mystery about this, Mr. Speaker. The matter was fully explained in my budget statement. We are simply coming to the House now for the authority of this Legislature to make this payment of $8,808,400 before the fiscal year ends on March 31,1945, so that we can make an immediate advance payment of 34 per cent of the total grants to the municipalities, amounting to $8,808,400. That is the purpose of this motion.

In conclusion, I believe that the people of Ontario and the school boards of Ontario will welcome this advance payment as an evidence of our appreciation of the financial difficulties which they have in financing school costs all across the board in Ontario. It will also be an appreciation of the fact that we recognize that they have to pay heavy bank interest if no advance payment is made and they have to borrow money from the banks in order to carry on their school operations.

MR. MITCHELL: The proposal is a very worthy one, but that is not the point, Mr. Speaker, that I rose to speak to. Repeated statements are being made that these grants are to improve educational facilities. The fact is that it is relief for the taxpayers that is being granted, relief for the property owners. The school boards have been told and the municipal councils have been told that the taxes must be cut by approximately the amount of this grant that is being made this year. I just mention that so that there may be no misconception about this matter.

MR. JOLLIFFE: There is no doubt at all that this development will be very welcome to all the municipalities

and school boards throughout the province. At the last session of this Legislature one of my colleagues, I believe it was the hon. member for Temiskaming (Mr. Taylor), urged that steps be taken to make an advance payment to school boards earlier in the year than had been the practice. I put forward the same suggestion this year.

Undoubtedly the Government is to be congratulated in that it finds itself in a position this year to propose making these advances to the school boards of the province. It will certainly mean a saving to the school boards in interest charges. It will certainly make it much easier for them to finance their operations during the year. I have no doubt that the Government is to be congratulated in that this can be done this year at a time when the Government may be looking forward to a general election and when assistance to the municipalities may have some bearing on the situation in that general election.

But the point I wish to make is that this large advance of nearly $9,000,000 which it is proposed to vote out of the surplus of this year's revenues was really made possible by the taxpayers of Ontario.

MR. MacLEOD: Hear, hear.

MR. JOLLIFFE: It was made possible by the taxpayers of Ontario who, by reason of the greater volume of business in wartime, have contributed more than ever before to the provincial treasury. It is they really who have made it possible for the school boards to get this assistance by way of the provincial treasury.

But I cannot help wondering exactly what the position is going to be in one or two years from now. The Government proposes very large increases in assistance to the school boards, and we are not opposing these increases for reasons

which have frequently been indicated.

But what is really happening at this time is that about one-half of those increases to the municipalities for their financial year from January 1 to December 31, 1945, is being appropriated out of last year's surplus and the other half will be financed.

MR. FROST: The figure is about one-third.

MR. JOLLIFFE: For the total it will be about one-third. But about one-half the increase is being appropriated out of the surplus on this year's operations for the fiscal year ending March 31, 1945. I think the Provincial Treasurer will agree that that is correct. The assistance to the municipalities is being increased by about $17,000,000 to bring it to about $25,000,000, and of that increase one-half is to be voted out of this year's surplus and the other half is to be found from next year's operations. I hope the Provincial Treasurer will find it, but that remains to be seen.

Much as I welcome this assistance and am glad to see the municipalities get it at a time when it is going to do them most good, I have this comment to make. In his budget speech the Provincial Treasurer was able to report and he took justifiable pride in reporting, a surplus of nearly $9,000,000. That received widespread publicity. I do not want to take away any of the satisfaction which the Provincial Treasurer must feel in being able to report that surplus, but I think the public should clearly understand that, as the Provincial Treasurer himself has mentioned, the actual surplus on this year's operations, if these supplementary estimates are voted, will be about $114,000. That is what the Provincial Treasurer said, and I agree with him.

The public therefore should be under no illusions about that nine or ten million dollar surplus because in order to carry out the commitments which have been made, and which in principle have been approved by the House, it will be necessary to spend over $8,000,000 of that surplus in increased educational grants.

I think that is about all I have to say. I am not dealing at the moment with the question of educational standards because the question before the House now is whether we should authorize this assistance by way of advances to the school boards of the province.

MR. DREW: Just so that the record will be quite straight I should like to quote from Hansard what I said the other evening when in moving the adjournment I stated the business we would take up. It will be found at page 1002 of Hansard, where I find this:

> "Mr. Jolliffe: If the Throne debate is to be continued on Tuesday, when will the budget debate be resumed?
>
> "Mr. Drew: We will first consider the Supplementary Estimates. That of course is not the budget debate. In any event we shall proceed with the Throne debate on Tuesday, and I shall be very happy to confer with the leaders of the different groups as to resuming the budget debate."

MR. HEPBURN (Elgin): I quite agree with the Prime Minister. I said that I was speaking from memory. I have since obtained a copy of Hansard, and what the Prime Minister has just read is quite correct. But I am not so much concerned about that. What I am concerned about is the matter of procedure. My hon. friends on the Government benches who form the rump government in this House speak glibly of British parliamentary practice and procedure.

Under British practice and procedure, when a Government meets parliament it submits its legislative program for the consideration of the House. The Speech from the Throne is read by the Lieutenant Governor, and it is followed by a debate in which members from all sides participate.

On this occasion the Address in Reply to the Speech from the Throne was moved, and subsequently two amendments were moved to that motion, one by the Leader of the Opposition (Mr. Jolliffe) and the other by myself, and so the fate of the Government is definitely hanging in the balance until those amendments are disposed of.

I want to say quite frankly and emphatically for the benefit of the people of Ontario that so far as this group is concerned we intend to put this Tory government out at the first oppertunity because we have no confidence in this Government. Nor do I see how my hon. friend the Leader of the Opposition can escape his own words, because in moving his amendment he said that he had no confidence in the Government.

MR. JOLLIFFE: There is no question of any escape.

MR. HEPBURN (Elgin): All right. Then the Government is doomed and it simply awaits its death sentence when 52 members are going to vote against it. I say, Mr. Speaker, that those amendments should be voted on before parliament is asked to vote any sums of money. That is the British parliamentary practice. I quote again Rule 114:

"The Committee of Supply --"

which is the committee which votes the money:

"-- and of Ways and Means are appointed on motion, without previous notice, at

> the commencement of each Session, as soon as an address has been agreed to in answer to the speech of the Lieutenant Governor."

In other words, or in plainer language, the legislative program of this Rump government has not been approved by the majority of the members of this House, and so I think it is unprecedented for the Government to ask us to vote money to an organization which, according to the Leader of the Opposition himself, has not the confidence of this Legislature.

A succeeding government may revise these estimates, may even revise them upwards and give more equitable and fair treatment to the school boards throughout the length and breadth of the province. This Government has not a monopoly of all the political virtues or promises, and so I say, Mr. Speaker, that it is better that we should first decide whether this Government has the confidence of this Legislature before the members here assume the responsibility of giving the Government a blank cheque to expend some $8,000,000 in fulfilment partly of a pre-election commitment.

As a matter of principle I say that this motion is entirely out of order, and so far as this group is concerned we are going to oppose it even to the point of asking for a recorded vote upon it by the members of the House.

MR. DREW: I have not spoken on the motion, Mr. Speaker. I rose a few minutes ago merely to correct the hon. member -- it is becoming almost a regular practice -- in regard to a statement he had made.

So far as this estimate is concerned this is neither a blank cheque nor has it anything to do with

anticipated expenses for the coming year. It is a motion which could have been made at any time. It is to permit the payment out of the past year's funds of $8,000,000 to the school boards of this province.

At first it is amusing but then it gets tiresome to hear the hon. member for Elgin (Mr. Hepburn) continually getting up and threatening this Government. I have made it perfectly clear that we are here as a government only so long as this Legislature supports us in the House. That is all.

(Page 1213 follows)

MR. M. F. HEPBURN (Elgin): Mr. Speaker, all we ask is an opportunity to decide that.

MR. DREW: We undertook the responsibility of government and we have carried on, and are willing to carry on only so long as that support is given. And since the Hon. member (Mr. Hepburn) challenges this resolution, we will accept this resolution as a vote of confidence.

MR. EDWARD B. JOLLIFFE (York South): Mr. Speaker, since the Hon. member for Elgin (Mr. Hepburn) made a reference to me, I want to say a word or two on the question of privilege. I want to say, in the first place, that his use of the word "escape" in connection with me was very strange, because I indicated as strongly as I knew how, as far back as August, 1944, that we had no confidence whatever in the Government in connection with a certain very important issue and what we regarded as an issue on which it would be necessary for this House to express its opinion.

It was not, however, until the month of October that the Hon member for Elgin discovered that it was an important issue, and discovered in fact which way the wind was blowing, and suddenly became seized with anxiety to take a public stand in connection with that issue.

Now, so far as voting confidence or no confidence in the government, my position and the position of the members of the C.C.F. in this House is prefectly clear. We wish to have an opportunity to express our opinion, but we wish to express it, Mr. Speaker, on a question of principle, such as those embodied in the amendment to the address, and not on a question of procedure, no matter how ingenious that may be, -- and the Hon. member for Elgin (Mr. Hepburn) is capable of some very ingenious steps in that connection. And what is more, whether there

was some election promise or not, we concede it to be our duty to vote on the Address, and we not concede it to be our duty to deny to the school boards of this Province that which they have the right to expect.

I can set my Hon. friend from Elgin (Mr. Hepburn's) mind at rest, that we are going to vote against the government, -- I think he has known that since the first of August, -- but we are not going to be diverted to vote against the passing of sufficient funds to assist the school boards of Ontario.

MR. SPEAKER: It is moved by Mr. Frost that I do now leave the Chair for the House to resolve itself into Committee of Supply to consider supplementary estimates for the year ending March 31st, 1945.

Those in favour say "Aye".

Call in the members.

Motion agreed to as follows:

Yeas:	Nays:
Hon. George A. Drew	M. F. Hepburn (Elgin)
Hon. G. H. Doucett	H. C. Nixon
Hon. G. H. Challies	F. R. Oliver
Hon. L. E. Blackwell	R. Laurier
Hon. L. M. Frost	A. St. C. Gordon
Hon. T. L. Kennedy	R. Patterson
Hon. G. H. Dunbar	R. A. McEwing
Hon. R. P.Vivian	A. Belanger
Hon. W. G. Thompson	J. Frank Kelly
Hon. Charles Daley	W. L. Miller
Hon. Dana H. Porter	Roy Downie
A. H. Acres	R. Begin
T. A. Murphy	W. A. Dickson

Yeas (Continued)

R. Hobbs Taylor (Huron)

H. R. Scott

A. W. Downer

Tom Dent

R. D. Arnott

William Duckworth

Hon. W. G. Webster

A. Kelso Roberts

J. de C. Hepburn (Prince Edward-Lennox)

W. B. Reynolds

Hon. W. J. Stewart

T. L. Patrick

W. A. Goodfellow

S. L. Hall

S. J. Hunt

J. W. Hanna

C. H. Martin

J. L. McDonald

G. G. Johnston

J. D. McPhee

D. McIntyre

J. A. Pringle

E. B. Jolliffe

Miss A.Macphail

George Bennett

B. E. Leavens

George Lockhart

G. Anderson

C. H. Millard

A. A. Casselman

Nays (Continued)

Thomas N. Duff

E. A. MacGillivray

A. A. MacLeod

J. B. Salsberg

Nelson Alles

L. Hancock

R. Robson.

Yeas: (Continued)

George I. Harvey

Harry Steel

C. H. Taylor (Temiskaming)

F. W. Warren

G. H. Mitchell

H. Connor

A. Williams

C. A. Strange

William Dennison

W. J. Grummett

L. G. Robertson (Waterloo South)

L. E. Wismer

J. J. Kehoe

Mrs. R. M. Lucnck

William Robertson

F. O. Robinson (Port Arthur)

H. E. Brown

R. D. Thornberry

R. H. Carlin

J. H. Cook

W. C. Riggs

Cyril Overall

W. M. Docker

Roy Smith.

CLERK OF THE HOUSE: Mr. Speaker, the "Yeas" are sixty-six; and the "Nays" nineteen.

MR. SPEAKER: The Clerk reports the Yeas are sixty-six and the Nayes are Nineteen. I declare the motion carried.

The House in Committee of Supply, Mr. Reynolds in the Chair.

THE CHAIRMAN: Supplementary estimates for the year ending March 31st, 1945, Department of Education, No. 198.

MR. G. I. HARVEY (S. S. Marie): Mr. Chairman, do you mean to say we are going to vote away six million dollars without one question being asked? I would like to ask several questions. I heard the Hon. Minister of Education (Hon. George A. Drew) say something a while ago about there being six thousand school boards in Ontario; and then there was talk about the number of school boards which had been set up and the number of consolidations, and so on. Would this be a fair time to ask the Hon. Minister of Education just how many school boards there are in the Province of Ontario, or how many school boards have been set up during the last year?

I am very much in favour of consolidated school boards. I think it is a crying shame that we should have six thousand school boards in this province. I would like to have some reply showing what the Hon. Minister's attitude is towards the school boards we have or hope to have.

HON. GEORGE H. DREW (Prime Minister): So far as our attitude towards the larger units, I have on numerous occasions expressed my desire that the number should be increased. Sixty-two new units have been formed during the past year. There are now a total of two hundred and forty-two township units throughout the Province, and the indication is that the number is going to be rapidly increased, because there is a larger interest evidenced in all parts of the province in them.

Mr. HARVEY: Mr. Chairman, I only want to point out a feature of this Supplementary Estimate that has already been

ably discussed by the leader of the opposition. This method of financing, to my mind, might create a problem in the future. Here we are passing a supplementary estimate on the surpluses of one year in order to meet part of the costs of one year's grant. The surplus for the forthcoming year will fulfil the requirements of that grant completely.

I wonder if The Hon. Provincial Treasurer (Mr. Frost) has considered what is going to happen next year, when this same grant most likely will be paid to the municipalities. It seems to me that the question of the right of the likelihood of passing supplementary estimates will not arise next year, because there will be no surplus next year to warrant any supplementary estimates. I am just pointing this out because it seems folly to me not to make provision for increased revenue when we are to meet increased costs, and take the surpluses from two years operations to meet one year's costs, I can consider not a very good fiscal policy.

I would like an answer to that as to how it was possible to finance the operations of this province on these surpluses? Our grants are taken care of by the surplus, from all indications in these supplementary estimates, and the surpluses to be realized next year.

HON. LESLIE M. FROST: I am very glad to answer the question of the Hon. member from Sault Ste. Marie. I cannot imagine that he wants to impose any new tax.

I noticed that the Hon. member from Hastings West (Mr. Arnott) said something about amusement tax. There is no form of amusement tax, --

MR. A. A. MacLEOD (Bellwoods): You are scared off.

MR. FROST: We are never very much afraid when we have such a surplus. I am speaking entirely from memory, but we have been keeping track of the Dominion-Provincial agreement pretty carefully, and my recollection is this, that after allowing the credits that we receive from the gasoline taxes and other things, -- in fact I think the gasoline tax is the only item from which we get in any payment of revenues from the Dominion Government, -- that the Dominion-Provincial agreements are costing the Province of Ontario, at the present time, I think it is about twenty or twenty-five million dollars a year, only speaking from memory. If we had our taxing powers back again, we would be receiving from the Corporation tax, particularly, very large sums. I think that the Dominion government receives something in the neighbourhood of one hundred and thirty-five million dollars last year, from the fact that we were out of the taxing field and they received the proceeds. We would be receiving a portion of that one hundred and thirty-five million dollars if it were not for the Dominion-Provincial agreement.

I say to you, Mr. Chairman, that we entered into that agreement gladly because we were interested in winning the war above everything else. But, by reason of doing that, we have lost considerable revenue. I cannot tell my friend what the revenue would be, but, speaking as the poet Tennyson did, "It is hard for the eye to see"; and it is hard to say beyond the twelve months what the Province will receive from the taxing agreement in the future. But if the taxing agreement were wiped out, we would have some difficulties, nevertheless, in the long pull, provided we have a prosperous economy after the war; and we are not looking at it from a

defeatist standpoint, because we think Canada is going to go ahead very wonderfully.

As I say, the agreements in the meantime, are costing us twenty or twenty-five million dollars a year by reason of the fact that we have withdrawn from those fields of taxati on.

Now, our present problem is this: We do not want to impose new taxes on our people, and we want to conserve our credit, and we want to keep our people free, and we want to be able to sit around the conference table and make a good agreement not only for the people of our Province but for the whole of Canada.

I think this House will agree that we have done everything that this or any other Government should do, in order to conserve our position.

My friend asks about the year 1947. We have given the report for the year 1944-45, and we have given a forecast for the year 1946, and I think it is as accurate a forecast as can be given with the information that we have on hand for the year 1945-46.

We can promise the House this, and the people of Ontario, that if we are here a year from to-day, we will bring in a budget which will satisfy the people of Ontario; and I would say this, furthermore, in connection with the School Boards, that there is another matter ,--

(Page 1221 follows)

MR. JOSEPH B. SALSBERG (St. Andrew): Would the hon. Minister (Mr. Frost) mind if I ask if that promise constitutes Point No. 23 now?

MR. FROST: Oh, we have made a lot of promises in addition to the twenty-two which we have carried out. But there is another point I would like --

MR. MITCHELL F. HEPBURN (Elgin): Mr. Chairman, my hon. friend (Mr. Frost) said that he could not foresee into the future for another twelve months, and now he says he foresees another surplus. How does he reconcile these two statements?

MR. FROST: Well, I have confidence in Canada and in the province of Ontario, and in the Party I form part of, and I am satisfied we can do a good job.

MR. HERBERT CONNOR (Hamilton East): Have the rest of the Cabinet the same confidence in their future?

MR. DREW: Yes, we all have.

MR. HEPBURN (Elgin): My hon. friend (Mr. Frost) said he did not have the ability to visualize what will happen twelve months from now, and now he says he visualizes another surplus. How does he reconcile the two?

MR. FROST: No person can stand here and forecast what changes will be made in our tax structure a year from now. Maybe the hon. member for Elgin (Mr. Hepburn) should have listened to that. We have to sit down with the other provinces in the Dominion; there are a thousand and one inequalities and differences and adjustments to be considered in our tax system. No one can tell what adjustments may be made, and there is no one knows what the actual methods might be a year from now. But I say this, that I have no doubt about the feeling of Canada, and no doubt

about the feeling of Ontario, and I am satisfied that what we are doing at the present time is sound, and will be met, and I think will bring great prosperity and employment to our people in the move we are making at the present time and the move we will make in the future.

Now, to get back to my hon. friend from Sault Ste. Marie (Mr. Harvey): once the school boards receive a grant payment, the situation may not be as acute as it is at the present time. Generally speaking, it is my belief that the grant to the school boards should be paid in three payments --

MR. L. GREIVE ROBINSON (Waterloo South): Mr. Chairman, the same tax agreements will be in force now which were in force last year, and if my memory serves me right, the hon. Provincial Treasurer (Mr. Frost) forecast a surplus last year of $209,000.

MR. FROST: I tried to be on the safe side.

MR. ROBINSON (Waterloo South): You certainly were. No doubt about that. I had no idea, at that time, you would realize such a marvellous surplus as almost $9,000,000, and when you forecast another one of $69,000, I just wonder if you are forecasting that on the same basis as you forecast the $209,000 last year.

Now, if there is anything you should disclose to us which would make a more accurate picture of what would be realized at the close of next year, we should like you to do so, because it will assist the hon. members of the Opposition in criticizing the Budget, and, really, an inaccuracy of $9,000,000 is substantial.

Now, if the Budget has been inefficient to the extent of $9,000,000 in a year, that is a fairly sizeable sum, and

then I think it should be conceded that the Budget has been inefficient. We are glad that you had the $9,000,000, and an hon. friend here tells me that if a municipal treasurer erred to that extent he would be fired.

MR. HOWARD E. BROWN (Welland): Mr. Chairman, in the voting of this $8,000,000 for a school grant at this time, it is something different than the school boards have been accustomed to. It is something I heartily agree with, however. In the past I think school boards have received their grant along in September or October, or maybe later than that, and I believe, in regard to the two mills they received, most the municipalities barely received them by
D2 Christmas time.

Now, the hon. Treasurer (Mr. Frost) has possibly partially answered my question, but are we going to vote this money to be paid at the end of March to the school boards? What guarantee -- What plan has the Government? Is there anything written into the regulations that the school boards will be able to say that on the 31st of March they will receive one third of their grant, on the end of June, or the first of June, they will receive the second third, and on the first of September they can count on getting the rest of the grant? It seems to me there should be something written into the regulations of this new grant system, so that a school board would know exactly where it stands. We may go to work now and vote this money, and for all the school board knows, maybe the Government will find itself in such a position that it cannot pay the rest of it until just before Christmas.

It seems to me at this time there should be something very definite, so as to protect the municipalities, so they

can be sure that the money that is going to come to them is going to come on a certain date, and I would like to know from the hon. Minister of Education (Mr. Drew) if there is anything written into the regulations to that effect, and, if not, why not.

MR. DREW: As far as that is concerned, the payments will be definitely payable after the budget is adopted.

MR. BROWN: Mr. Minister of Education (Mr. Drew), is there anything in the regulations such as stating that at such a time a school board will know that on certain dates it can count on a certain amount of money? It seems to me it should be in the regulations, so that every school board and every municipality will know exactly where it stands.

MR. DREW: This will be paid, as a matter of fact, as soon as this amount is voted. It will immediately go out. And subsequent amounts will be paid --

MR. BROWN: When?

MR. DREW: By September.

MR. BROWN: Is that in the regulations, or just a promise? Is it just -- Well, when will it be paid?

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Chairman, there is no real danger, unless everybody should decide to vote Liberal.

MR. BROWN: Mr. Minister of Education (Mr. Drew), I am serious about this. It seems to me we should have a definite answer, and it should be in the regulations. You are assuming one half the cost of education in this province of Ontario. Are you going to tie the hands of all these school boards, or will they have a definite promise the money will be paid on the 31st of March, and on the 1st of June -- or whatever it is going to be -- another payment, and again on the 1st of September ? It seems to me we should have a

definite statement, and the people of Ontario are entitled to know where the money is coming from, and when it is coming.

MR. FROST: The present regulations, I think, call for the payment of the money -- I think it is on the 1st of August. But the fact is, in practice for a great many years the money has not been payable until the money of October, generally, or sometimes even in November.

We realize the unfairness of that situation, and the fact is there are a number of other cases in which payments to municipalities are outlined, and in the past it has been the practice to pay them very late in the day.

We are anxious to insist in municipal financing, and this is all part of our desire to revamp the whole situation, and this is the first sound step by making the first payment by the 31st of March. My own view is that instead of coming due in August, it will be paid one third in July, and one third about in October. At the present time a good deal of study has been given to that question, and I can only assure my hon. friend (Mr. Brown) that he will have to accept our good faith in the fact that we are making a very advanced step in that regard at the present time.

MR. BROWN: Yes, but Mr. Minister (Mr. Frost), we have no assurance about this. You have gone into this whole business, and are talking about re-vamping the situation, but the municipalities do not know where they stand. If you will give us a definite answer here, that you will take this into consideration, and give us an answer later on in this Session, and tell us definitely when these grants will be paid, I think the House is entitled to know, and I think the people of the province of Ontario are entitled to know.

MR. FROST: I will say to my hon. friend (Mr. Brown), in answer to his question, that, after all, you have to deal, in this world, on good faith and good business practice.

My recollection is that in this House last year all the hon. members in the House supported the plank which we familiarly called "the fifty per cent. of education," with the exception of the Liberal group, who opposed it. The hon. member for Brant (Mr. Nixon) did not think it could be done --

MR. NIXON: We are still dubious.

MR. FROST: He said he thought he could be converted, and if he could he would move over to this side of the House. We have not been able to find a chair for him yet. The hon. member for Brant (Mr. Nixon) will recollect this, that last year the Opposition said to the Government, "When are you going to do this?", and it all agrees with this promise in connection with fifty per cent.of the cost of education --

MR. NIXON: And what did you say? My hon. friend (Mr. Frost), said that this was so complicated and intricate that they would have to have a Royal Commission inquire into the whole thing. Where is the Royal Commission?

MR. FROST: Oh, no --

MR. NIXON: Oh, yes, you did.

MR. FROST: We had a tremendous number of tax bills to examine, and that naturally required a little bit of time to work it out and make it work.

MR. NIXON: Did you not promise this House, in your Budget a year ago, that there would be a Royal Commission to investigate all phases of education, and that your new system of grants would be based on the report of that Commission?

MR. DREW: There certainly will be a Royal Commission, and one of the judges of the Supreme Court has been working for months on every phase of this. As I have publicly stated,

every phase of this will be examined. We do not, for one minute, say that this, to-day, is the final result. We will have the whole system of education in this province examined thoroughly, and at the present time many briefs are in preparation for that purpose.

The interesting fact is that we have carried out the very suggestion made by the hon. member for Brant (Mr. Nixon). He said we did not need a Royal Commission, and we have made this payment without a report from any Commission, and this is an arrangement, also, which will be subject to study and revision by the Royal Commission.

The hon. member for Brant (Mr. Nixon) was on the Government side, here, for ten years, and had a great deal to say about assuming the cost of education, but never did, at any time.

MR. NIXON: We certainly assumed more and more of the cost of education, and our expenditures in this province were many millions higher than when we came in, in 1934. You will admit that?

MR. DREW: Mr. Chairman, I quite appreciate the point made by the hon.member for Brant (Mr. Nixon), but he must not overlook that this year is not last year. This year may be an election year --

MR. HEPBURN (Elgin): May be? Don't worry; it will be.

MR. JOLLIFFE: Mr. Chairman, we have got off the point raised by the hon. member for Welland (Mr. Brown), and I think his point is important. I am not making any charges against the present administration or a previous administration, but I am informed that some boards have been able to get their grants earlier than other boards.

Even if there may be good reason for that, I think the hon. Treasurer (Mr. Frost) or the hon. Prime Minister (Mr. Drew) ought to agree with me that it is not a very satisfactory situation. It facilitates the playing of favourites as between different Boards, if any Government is assigned to do that kind of thing.

MR. FROST: The cheques all go out at the same time.

MR. JOLLIFFE: They may all go out at the same time, but if they do, it is strange that some Boards tell me they receive theirs at one time of the year and others at other times of the year, so there must be a difference of the time taken in the mails -- a difference of several months.

So there is real substance in the suggestion put forward by the hon. member for Welland (Mr. Brown), namely, that there should be a schedule or time-table or something of that kind, so that the Board will know within a month or two anyway when they will get their instalments on account of their grants.

It may not be possible to compute until late in the day how much they are entitled to, but I think it should be possible to work out some kind of an instalment system subject to final assessment, which would enable them to know where they are at. I think that is a reasonable suggestion.

MR. FROST: We certainly accept that as a reasonable suggestion.

MR. DREW: Mr. Chairman, first of all, the cheques all go out at the same time. There may be special cases where some arrangement is made, but there is no reason to suggest that favourites are being played. I feel sure

that the hon. Leader of the Opposition (Mr. Jolliffe) has had sufficient contact with school boards to understand that circumstances arise which call for a consultation between the Department and the school boards, and undoubtedly there are certain reasons for such a consultation. As to the general list; they all go out at the same time.

I, too, agree there is very considerable merit in the suggestion that in such a manner that the Boards will have an idea as to when they will get them. We are doing this right now, because we believe the boards should be assisted in their financing, and that is the reason.

MR. C. H. TAYLOR (Temiskaming): Mr. Chairman, in view of the fact that I think I was the instigator of the suggestion of advancing the school boards money in advance to the date set, may I say that I did so for more reasons than one.

I think the main reason has been that the school boards now have to pay five percent for this money, and the province borrows it for less. I asked this question of the hon. Prime Minister last year and he said he would look into the matter, and that in exceptional cases this could be done. I am very thankful to the hon. Minister of Education (Mr. Drew) and the Department for having seen fit to accept us as an exceptional case and give us a grant at an earlier date. It saved the town of Cobalt approximately one mill on the tax rate. That bears out the contention of a previous figure that we should have something definite in the regulations as to when we may expect the money. My guess is that when the banks get their teeth into this proposition, and find they are going to lose this interest, they will send a few applications to the government, whether they

will be postponing the further payments, and putting the situation back to where it was in the previous year.

SOME HON. MEMBERS: No, no.

MR. TAYLOR (Temiskaming): I hope this will be considered as a precedent, this adopting of the supplementary estimates for advancing the school grants to an earlier date.

Now, the hon. Provincial Treasurer (Mr. Frost) stated a while ago, rather jocularly, that he made a lot of promises other than the twenty-two points, which he had fulfilled. I would like to draw his attention to one he made which he has not fulfilled, and even these increased grants in advance will not redeem him in the eyes of the people up there. I will have a little more to say about that later on --

MR. FROST: We will try to get that smelter open up there.

MR. TAYLOR (Temiskaming): But I do want to urge -- and I think it is worthy of very prompt action -- that it should be provided in the regulations that these grants will be paid at specified times.

I am also wondering what is going to happen the following year. This year you are basing your plans on the proportion of costs of last year's costs of education, and in our case, in our high school, we get seventy-five percent of our costs of education based on last year's costs.

Now, next year, because a municipality will not pay fourteen mills or over, which is the category upon which the seventy-five is based, but it will be five mills to the

taxpayers of Cobalt. Will our tax rate be reduced correspondingly next year?

MR. DREW: I think I can make this very definite. The hon. Provincial Treasurer (Mr. Frost) himself explained the reason we are anxious to do this was in fact the very reason you pointed out, and which I recall the hon. member for Temiskaming (Mr. Taylor) mentioned last year.

Now, our purpose is to assist the school boards in their financing and these payments earlier are a very great assistance to them.

Just as soon as the budget is passed, we will then be in a position with the school boards as to the time they will receive a later payment.

MR. HOWARD E. BROWN (Welland): Mr. Chairman, I do not think that is good enough; I think this House should know and the people of Ontario have a right to know. I do not think we should go back home this year without a definite assurance of when this money will be paid to the people of the province of Ontario.

It seems to me that the hon. Minister of Education (Mr. Drew) or the hon. Provincial Treasurer (Mr. Frost) should give definite assurance when this money will be paid. I cannot see any reason why they will not say they are going to pay it on the 31st of March, -- the first interim payment -- that they will be paid again in June, and again later in the fall. I think we should have assurance from the hon. ministers that this will be put into the regulations.

MR. DREW: Here we are dealing with the payment of $8,800,000.00 and that will be paid right away if this passes here to-day. That is definite. As far as the other is

concerned, that can be dealt with at the time we are discussing the budget.

MR. A. A. CASSELMAN (Nipissing): I think the hon. member for Welland (Mr. Brown) should not get too perturbed and press the Government too hard, because he should remember when another year rolls around, they will not be the Government.

HON. GEORGE H. DUNBAR (Minister of Municipal Affairs): I am rather surprised, Mr. Chairman, listening to the remarks of some of my hon. friends and particularly the hon. member for Welland (Mr. Brown), as he being in the Town Council of Welland, or the City Council, that he was not perturbed at that time regarding the subsidy. There has been a one-mill subsidypaid for a great number of years. Did you ever worry when that would be paid,in council, because there was no date mentioned.

MR. BROWN: It did not do any good to worry.

MR. DUNBAR: The one-mill subsidy passed through this House and no time was specified.

May I say that we have had great difficulty in receiving returns from the municipalities, in order to know what we should pay them. To-day, with the school boards of the province of Ontario it is very difficult, as the hon. Minister of Education (Mr. Drew) can tell you, -- to know what we should pay them, because we have not received the returns for the expenditures last year.

During the month of January, a couple of townships down in North Renfrew, which had not received their subsidy, complained to the hon. member for North Renfrew (Mr. Hunt)and we looked it up, and found we had not re-

ceived any report from that township as to what their expenditures were, and according to the Act a return should have been placed in the hands of the Department of Municipal Affairs.

So I say to you hon. gentlemen that a part of that responsibility rests with the school board and the municipalities to see that their returns are in the hands of the Department of Education. You cannot expect them to receive, say $100,000.00, unless we know they are entitled to that full $100,000.00, based on the expenditures last year.

Well now, what are you shaking your head about? Does that not suit you, up in North Bay?

MR. A. A. CASSELMAN (Nipissing): I think that is about the weakest explanation I have ever heard in this House.

MR. DUNBAR: Your returns were not in early from Nipissing, but, of course, knowing you as I do, I would not expect you to agree with me.

MR. M. F. HEPBURN (Elgin): Mr. Chairman, if I heard the hon. Prime Minister correctly a few minutes ago, he said he is paying this money now, because he considers it the right thing to do. Were those the words you used, Mr. Prime Minister?

MR. DREW: I said we were anxious to assist the school boards in the province in their financing.

MR. HEPBURN: And you considered it the right thing to do now?

MR. DREW: If we did not consider it the right thing to do, we would not be proposing it.

MR. HEPBURN: Mr. Chairman, I was Treasurer of the

province for many years and I know something about provincial finances, and we know that the school boards have been deliberately moved by the present administration, because the government promised a year ago to take over half the costs of the primary and secondary school education. They actually owed the municipalities the sum of $22,000,000.00.

Now, Mr. Chairman, let us review, without prejudice, this well calculated scheme now being put forward to fool -- and deliberately so -- the people of Ontario.

The people in the municipalities operate on a calendar year, and the province operates on what is known as the "fiscal year", which ends on the 31st of March, and any surpluses which might accrue during the period of that fiscal year, if not paid out before the 31st of March, must become part of the consolidated revenue account of the province, so that is the reason for the undue haste on the part of this government to use the surplus accumulated in the last fiscal year to pay to the school boards during their calendar year this money. There is no use trying to escape a very obvious fact of this kind.

What the government proposes to do is to use the surplus, not to pay the commitment made last year which totals the twenty-two million dollars, but to pay it to the school board to the extent of approximately nine million dollars, and then use the accumulated surplus, if any, of this calendar year to supplement the grant to the school boards throughout the province. I say it is a deliberate effort for the purpose of fooling the people of Ontario.

MR. FROST: They like to be fooled this way.

MR. HEPBURN (Elgin): That is all right, go on and interrupt me.

Mr. Chairman, I say that an election is inevitable, and the defeat of this Government, and before the fiscal year ends there may be another administrative power which may assist the school boards on a more equitable basis.

There is no great satisfaction in the province because they are assuming fifty percent of the costs of education. In some cases, it is thirty percent or forty percent; in some cases it is sixty percent or seventy percent. There is no equity or justice in that.

I still say that we will err in passing this sum of money, because it was accumulated in the year the Government promised twenty-two million dollars to the primary and secondary schools of the province. Oh, they paid alimony in the sum of about three millions of dollars, and then they carry on into this year, and I submit it is absolutely irregular and should not be.

MR. JOLLIFFE : Mr. Chairman, I do not know whether the hon. member for Elgin (Mr. Hepburn) is being quite fair to the Government. After all, this promise was made in 1943, and was not kept in 1944, and the first steps towards keeping it are being taken towards the middle of 1945; for a Tory Government that is very revolutionary; it is pretty swift travelling.

It is perfectly true that the thing was not done in 1944, and there is an overlapping here as between the calendar year of the school board and the fiscal year for the province.

After all, the promise was a big one, and I do not think we expected -- certainly anybody who has been

Provincial Treasurer, as the hon. member for Elgin (Mr. Hepburn) should expect -- that some very ingenious device would have to be established in order to give the public the impression that the promise made nearly two years ago is about to be kept.

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MR. GEORGE BENNETT (Windsor-Sandwich): Mr. Chairman, I would like to ask the Prime Minister a question and it has to do with one aspect of the educational branch that is causing municipal councils and educational authorities some disquietude and some concern and the question is this: Is the grant made with no strings attached to it or is the grant made with the Government reserving the right in itself to say how the money is spent and what amount and what purpose because we were informed in the first place when the grant was made it would be conditioned on a corresponding decrease in the tax on real estate.

MR. DREW: No such statement was made.

MR. MacLEOD: Mr.Chairman.....

MR. JOLLIFFE: Is 25% of these figures coming up now?

MR. MacLEOD: No, I will get to that later. I am glad to see it is bothering your conscience, though.

Mr. Chairman, I do not happen to have a copy of last year's Budget here, but I was wondering if the Provincial Treasurer,(Mr. Frost) who is always very obliging, would just tell me what the surplus was last year. What surplus did he announce in this House last year, over-all-surplus?

MR. FROST: I should explain to my hon. friend (Mr. MacLeod) last year there was a statement in the Budget in connection with over-all-surplus. That is what I took strenuous objection to when in opposition, This year I made no reference to such a thing and last year only put it in for actual comparison. Actual statement should be based upon your ordinary income and ordinary expenditures, and last year, speaking off hand, I think it was around $9,000,000. I may say this applies to the debt of the province and it

reflected a saving of $2,300,000dollars. One of the ways we got the surplus last year was by close economy and good administration.

MR. MacLEOD: The point I wanted to make was this: That after listening to the opening remarks of the Provincial Treasurer and his listening of all the benefits that would accrue from what the Government proposed to do, that had the government shown the same solicitude for the school board last year as they do now, in what may be a very faithful year for them, the school boards of Ontario should actually have received $9,000,000 last year in 1944 and that would have brought the Government much closer to the pledge that it made to the people of Ontario almost two years ago.

MR. FROST: Eighteen months ago.

MR. MacLEOD: Well, I happen to have here the famous speech delivered by the Premier on the 9th August last, where he dealt with this question, and he said:

> "The one point which will take some time to complete is the transfer of the main burden of educational costs from real estate. The reasons for this are obvious. We have what is probably the most complicated educational structure in the whole world. Immediately after taking office, we appointed accountants with wide experience in school financing to work on this problem. Highly skilled experts of the Department of Education have also been engaged in this work. And for the past two months one of the outstanding judges of the Supreme Court Of Ontario, Mr. Justice Hope, has been working on the same task. Soon a Royal Commission, of which he will be Chairman, will hear arguments from every point of view, and when changes are made they will be upon a sound basis, worthy of the place which education plays in building a healthy and vigorous nation, and with due regard to the very dangerous difficulties which would be encountered by any undigested plan of reasjustment. We are carrying out exactly what we undertook to do. Those who suggest that we could have followed any other course have at no time offered any workable plan themselves. In our desire to get this done, we certainly will not introduce half-baked legislation, which would only aggravate the very situation we intend to cure and lay the foundation for bitter disputes such as have occurred in the past."

That is the end of the quotation.

Now, Mr. Chairman, as the hon. member from Sault Ste Marie (Mr. Harvey) has pointed out, we are at this juncture called upon to vote a payment of $8,000,000. or so as an advance on a much larger sum of money and there are absolutely no provision in this Budget, so far as I can see, to take care of the additional amount except the statement that the Provincial Treasurer has made as to his optomistic outlook for the future, and the people of Ontario are therefore called upon to express their confidence in the Government's programme on the basis of the old ecclesiastical definition of faith; the substance of things hoped for and evidence of things not seen.

Now, the Provincial Treasurer says that the province of Ontario is losing $25,000,000 a year as a result of a Dominion Provincial Tax agreement. Personally, I did not think it was that high. I thought it was somewhere around $15,000,000, but he knows more about it.

AN HON. MEMBER: A few millions is nothing.

MR. MacLEOD: No, a few millions is nothing, not for the Provincial Treasurer. But the point is this - that under the Dominion Provincial Tax agreement the Provincial Treasurer of this province is unable to impose corporation or income taxes until April 1st of the second calendar year after the calendar year during which hostilities cease between Canada and Germany, and not only Germanu but Japan. Is not that correct? Well, that is correct. On that basis, then, it will be impossible for the Provincial Treasurer, assuming that he is in power at that time, to have this $15,000,000 that now goes to the Dominion Government under the Dominion Provincial Tax agreement until the fiscal year of 1948 and 1949. That is correct.

MR. ROBINSON (Waterloo South): Will he have it then?

MR. MacLEOD: And may not have it then because, of course, we are not in a position to say when the war with Germany will end and certainly we are not in a position to say when hostilities with Japan will come to an end, but even taking a fairly optomistic view of the situation it is safe to assume that not until the fiscal year of 1948 - 1949 will the Provincial Government of Ontario have a return of those revenues that now go to Ottawa. Now, that to me constitutes deception in the Budget. I am not accusing the Provincial Treasurer of being deceptive; I say his figures are plainly deceptive because he has embarked here on a programme from which the Government has not had the courage to make any provision. There are fields of taxation open to the government that it does not want to take advantage of, and when I say 'fields of taxation' I do not mean retrogressive taxes like amusement tax, food tax, &c.

MR. FROST: What would you suggest?

MR. MacLEOD: I am going to get around to that when I make a speech on it because you have overlooked something. The thing I fear is this: That the government is dangling this prize package in front of the people of Ontario in a critical moment in its own life without any idea in its mind as to how it is going to make good so far as the outstanding portion is concerned and I think, if the Budget means anything at all, as I read it, the government of this province is leading the people of Ontario up on to a high mountain only to dash them down on the rock.

MR. HEPBURN (Elgin): I have now before me the Budget of last year and I find that the Provincial Treasurer reported an over-all surplus of some $27,000,000.

MR. FROST: Just read what I said in connection with that. Would you mind reading the paragraph in which I dealt with that.

MR. HEPBURN (Elgin): Well, I am not going to re-read from the Budget for you. I just say that you announced an over-all surplus of $28,000,000. That is correct.

MR. FROST: No, it is not:

MR. HEPBURN (Elgin): At the same time you took pride in reaffirming the position taken by your leader, with these words:

> "Despite the above betterment of the municipal position, it has been felt that more drastic action should be taken. Following is the actual wording of the policy of this Government as enunciated by the now Prime Minister on the 9th. July, 1943."

and I quote:

> "There will be a sweeping revision of our whole system of real estate taxation so that the owning and improvement of homes and farm land, which are the very foundation of our society, will not be discouraged by excessive taxation. As an initial step in that direction the Provincial Government will assume at last 50 percent of the school taxes now charged against real estate."

Now, you made that statement in the House on the 16th March of last year at the time when you reported a surplus of.....

MR. FROST: I think my hon. friend (Mr. Hepburn) should at least endeavour to be fair. The fact is that surplus of $28,000,000 involved Capital payment and Capital disbursements. He knows in using that figure he is misleading the House. What I said to the House is this - that I did not like the use of the expression but owing to the fact that you had so long misled the province by over-all surplus I put it in for the purpose of comparison. I challenge my friend to read it. The surplus last year on ordinary

account, which is the one that counts, was about $9,000,000.

MR. HEPBURN (Elgin): I will say it was an alleged surplus of $27,000,000.

MR. FROST: You know $27,000,000 has nothing more to do with this than the man in the moon.

MR. HEPBURN (Elgin) If you had any floating commitment you could have used the money that year on the 16th March the same as you are doing it in this year. I did not think for a minute that you had a net surplus of $27,000,000. I am not so stupid about it. You did not have $27,000,000 of assets over ordinary revenue for ordinary expenditure,but in endeavouring the fulfilment of your commitment which you referred to at that time, you made this illuminating statement which I think should be of interest to the House:

> "The Government has determined that this great transfer of taxation which means the imposition of new provincial taxation shall be accompanied by reforms in our educational and municipal systems," &c.

or in otber words you intimated to the House on 16th March of last year that in order to do the thing which you prided yourself on, you would have to impose new taxation. Now, in order to get away from facing up to your actual reaponsibility as the treasurer of this province you resorted to this kind of trickery of throwing last year's fiscal surplus into the calendar year and supplementing it by another surplus which might accrue in this fiscal year of the Provincial Government. If you are fair you will admit you are using two year's surplus to the floating commitment.

MR. FROST: No. What we are doing is this: Up to the 31st March we have a surplus of $9,000,000 and we are paying a portion of that surplus $8,800,000 to the municipalities in the fiscal year of 1945. It is not doing anything except

being entirely honoured with the people of Ontario and giving the hard pressed tax payers the break they are entitled to.

MR. HEPBURN(Elgin): Why did not you do it last year. You had a surplus but you did not do it. The situqtion is becoming a little more pressing and more acute and you are resorting to this method of trickery. If you want to fulfil the commitment made by your leader you could have done the same thing a year ago but you did not. At that time the members of the House gave you a green light to go ahead. But I charge that you are using last year's surplus, ~~two years surplus~~, in order to fulfil the commitment. You may as well admit it because people know it anyway.

MR. FROST: It is with a great deal of pleasure I attempt to answwr this question. First of all we have reference from our friend from Bellwood (Mr. MacLeod), supported by his ally member from Elgin. I want to say this: Never in my experience in this House have I seen such bitter disappointment as exhibited by these two members. They are tearing their hair because. . . .

MR. HEPBURN (Elgin): No, I could not tear much on on mine.

MR. FROST: They are tearing their hair literally in any event because we are able to carry out this promise without imposing new taxation, without creating new debt and doing something which they themselves said we could not do.

MR. MacLEOD: Will you then permit me to say this: I cannot accept your statement that you are carrying out your pledge; you are merely making a down payment and the Budget makes absolutely no provision whatever for.

MR. FROST: I think I see the hon. member squirming. I have thought before that he was a doubting Thomas. That is what he is. He has been associating with Joe-Gloom sitting across the floor of the House here. His associating with re-actionary allies - the Liberals - and member for the County of Elgin - are such that they are warping his judgment. That is what is happening.

Now, let me say this to the member for Bellwood (Mr. MacLeod) who prides himself at the present time under the name of 'Labour Progressive', he is associating with people from the Liberal Party whose public advertisement said "We want you to do it George". We want you to bring in the Province of Ontario educational reform that have been long overdue. Now, talking about educational reform, let me give you this: Does the member from Elgin (Mr. Hepburn) think that to improve the lot of the school teachers of this province, 150,000 school teachers, in this province, who have to do with the bringing up of the young of this province, is not a great reform., Just look at the increase that is being given to the teachers within the province. How about the member for Brant (Mr. Nixon) who mentioned the fact that the grant had increased. I am telling you this: That under nine years of Liberal rule that the increased grant in the province of Ontario for the schools and for educational purposes, my recollection is around about $3,000,000. After 18 months of reactionary Tory rule, to use the expression of the member from Elgin, (Mr. Hepburn) you are getting $7,000,000 increase in grants. Three times the grant. I think my friend ought to be a little bit consistent about this. They said this - they did not think it could be done and they are disappointed and now they are gnashing their teeth because it can be done without imposing anything more on the back of

Ontario, and it has given old man Ontario a lot of relief. You go and tell your constituents-and I say this to the member from Elgin (Mr. Hepburn)- go down and tell your constituents you are opposed to this and came to the House and voted against $9,000,000 being given to school board. That is what you did. You said "We won't let you do it, George", and to the extent of your ability this afternoon you have done that by voting against this motion which would enable $9,000,000 to be paid out to the Province.

I want to say, in conclusion this: These people who are now so unreasonable and say - why don't you do this in a hurry, and all the rest of it, let me say this to you; The members of the Treasury Department or the staff of the department of education with your Treasurer, and with the Minister of Education have literally worked for weeks and months with this very complicated matter. Now, I say this - that to come before this House after 18 months in office and to be able to present to this House a plan for carrying out so great an opportunity should deserve commendation and congratulations from the members instead of a lot of straffing we are receiving. I want to say to the C.C.F. they have been generous to that. The Labour-Progressive and the Liberals have been disappointed. They have shown their disappointment that such a thing should be done instead of taking pleasure out of the fact that such great benefit is being extended to the teachers and the children of the municipalities of the province of Ontario.

MR. CHARLES H. MILLARD (York,West): We are dealing with an item in Supplementary Estimates, $6,024.250 and I do not think we can consider that item and consider the circumstances under which it has to be voted without having the distinct feeling that it is risky, if not dangerous, financing

MR. MILLARD: I concur, wholeheartedly, with the item taking the surplus from this year and using it as a down payment on a fulfillment of a fifty per cent. over-all cost of education, and it is on that item that I would refer, for a moment. I would like toask the Provincial Treasurer or the hon. Minister of Education a question. Last year I raised, in my place, here in the Legislature, I asked the hon. Minister of Education on what basis the grants were given, and I received an answer, if I recollect correctly, (and if I am wrong, I would like to be corrected,now,) that there was no basis, no rule by which the grants were given. Since that time the plan referred to by the hon. Provincial Treasurer has been announced, and it is supposed, in the over-all basis in Ontario, providing these estimates and providing the estimates contained in the Budget are passed, the over-all is 50 per cent., to relieve all municipalities and school boards.

The point I want to make is, it has been stated this afternoon if this plan receives the approval of this House and these items are passed, that the cheques will be sent out immediately, and I want to find out by what rule or what plan the 30 per cent., 50 per cent., 60 per cent. or 75 per cent. was arrived at.

I understood, as did other hon. members in this House, last year, from the Treasurer and from the hon. Minister of Education, that a careful and searching enquiry was to be made in the whole taxation system, and I know,(because I happen to have, in my riding, a man with a good deal of experience in municipal affairs,) that a number of plans were submitted to the Department of Education and the Floor Director of Education, regarding this matter, and it was hoped that that draft could be

submitted to the Commission which has been partially established, unless it is a one-man commission, but I understand the Chairman of the Commission had been appointed for some months, and he would proceed with the work, but there would be other members of the Commission appointed.

The fact is, the enquiry has not yet taken place, - at least, it has not been completed. It is now proceeding, we understand, by the hon. Minister of Education. I am quite sure that the school boards in this province and the municipalities will be happy to receive them, and I am also just as sure as I stand here there is going to be a great deal of difficulty as to the basis on which this money is going to be given. There is going to be a great deal of satisfaction. Some school boards or municipalities are going to feel they have been harshly dealt with, and have not been given proper consideration. I do not know whether there is any flexible rule in the plan, but it seems to me to be arbitrary, and I notice it is for public and separate school education. It seems to me it is making one of the fatal mistakes we have always made in taxation, that we take from those who have and give to those who have not.

MR. FROST: That is sound reasoning.

MR. MILLARD: No, I mean just the reverse. We take from those who have not, and give to those who have. Because, if the percentage, rightly or wrongly, is based on last year's costs, then we penalize those who have been prudent and watched their costs, - some of them through compulsion, because they did not have the revenue, - and we are also expending a differential cost between the separate-school and the public-school financing.

As I understand it, and I want to be corrected if I am wrong, it is now proposed, if this estimate is passed,

that cheques will be sent out on the basis of thirty per cent., fifty per cent. or seventy per cent. to the various urban schools, and that will mean some arbitrary rule has been arrived at in the office, with no concrete information from the Royal Commission, and that the entire payment will be a payment on the same basis on which this installment will be paid, and that no relief will be given to those school boards, the separate school, or otherwise, that have been burdened on their last year's cost, and therefore get a smaller percentage. I would like to know from the hon. Minister of Education, and from the hon. Treasurer, how the money is going to be distributed. My good friend from Welland (Mr. Brown) was concerned about that, when it was going to be paid, not only this account, but future accounts, and I am anxious to know how it is going to be paid and on what basis the figure has been arrived at.

HON. LESLIE M. FROST (Provincial TReasurer): I presume my friend has studied the scheme of grants covering the province. I want to say that these grants were announced on the 10th of December, and I will say I think they have been received with commendation across the province by the people of the province for this reason: there has been an effort, in the calculation of these grants, to assist areas which actually have required, and do require, assistance. I would say this, that in the Press of the province, (and I have been following it pretty carefully,) I cannot recall of having seen any objection to the method of giving the grants. In the urban municipalities it runs from thirty per cent. to sixty per cent., and in the rural municipalities, from fifty per cent. up to as high as ninety per cent. or ninety-five per cent. There has been no objection to that,

at all, as far as I can see. I think it has been agreed, by all the people of the province, generally, that it was a fair way of trying to equalize the situation across the province.

I want to say, furthermore, in equalizing that situation by that method, it has the effect of assisting. You take, for instance, municipalities that have been burdened in their financing. Take my own town of Lindsay, where the finances there, twelve years ago, were in a very difficult shape, but now they are in very excellent shape. They have economized and have been reasonable. It is true in the town of Lindsay the grants will not be as large, proportionately, as perhaps other places where there has been extravagance, but the town of Lindsay is in a fortunate position. The tax rate is only 34 mills, and they have room to expand, and their credit is good, and they are not worried about that situation. They are delighted with it. Their debt problem is out of the way. They consider this is responsible for the tax rate being cut to 34 mills. There is a municipality in which there is no problem.

The difficulty is when you go to a municipality in the extreme cases. Take my good friend from Temiskaming (Mr. Taylor). He is not in his seat. But there is a municipality that has met with the most terrific difficulty. While the town of Lindsay may get fifty per cent. on the average across the board, I think they get forty on the public and separate, and somewhat higher, fifty-five or sixty, on the secondary. While they are only receiving perhaps an average of fifty per cent., my friend from Cobalt (Mr. Taylor) is getting,

I think, seventy-five per cent., and why should they not get seventy-five per cent.? After all, is a child not as valuable in the town of Cobalt as a child in the town of Lindsay?

I think the real question is, How do you strike the basis of paying one third of the grant at the present time? I think that is altogether desirable. The old form of assistance grants is done away with, and the basis is a straight proportion of cost across the board. I say you could not work it in any other way. If you take a municipality or township in Ontario, and try to work it on any other basis, you get nothing but the most terrific differences in costs and in grants in municipalities lying alongside of each other. This is a fair basis, and I would say this: if a municipality has increased its costs, subject, of course, to the approval of the hon. Minister of Education, (and I think everyone would agree that is a wise provision,) their grants are increased proportionately.

I know one village at the present time has very, very low cost in connection with education. They are going to be faced with expenditures, and while they do not receive an initial grant, nevertheless, they will build buildings and will ultimately receive increased grants because of these expenditures, and it will level itself out.

I would say this, it seems to be unwise, at the present time, to look to these municipalities at the moment, when all of them are short financially, to give them an advance on their grant, and other grants can be paid during the year.

Where you are dealing with six thousand school boards, and six thousand audits, it is a tremendous job,

and it takes time to work the situation out, but I am satisfied it will work out to the benefit of our people.

(Page No. 1252 follows.)

MR. SALSBERG: The Provincial Treasurer is very disarming. I have told him privately that he disarms too many people for the public good, but when he goes to the length of implying that the hon. member for Bellwoods (Mr. MacLeod), who is the leader of my party in this House, is dissatisfied with the granting of the amounts here proposed to be given to the municipalities, I think I should set the matter straight before we proceed further.

In the first place if this Government had not handled the whole question of school costs in this province as a political prop to be used or put away at any time as political expediency required, there would perhaps be no discussion such as we are having here this afternoon. Unfortunately the Progressive Conservative party has used the school costs question as one of its main political props, and even now, because of the manner in which the Government is handling this problem, a group such as ours which for many years has advocated the assumption by the Government of the entire school costs of the province -- we advocated it even before the Port Hope program, before even the Minister became Provincial Treasurer -- we are compelled to question the way in which this question is being handled.

The responsibility for the burden which the property owners in the cities have to bear does not lie upon the shoulders of my group, nor for that matter does it lie upon the shoulders of the official Opposition. That responsibility rests, and it should be recognized by all to rest, upon the shoulders of the Progressive Conservative party, yes, and on the Liberal party too, which governed for many, many years.

MR. CHALLIES: The hon. member for Elgin (Mr. Hepburn) should take the hon. member for St. Andrew (Mr. Salsberg) out of the chamber and spank him.

MR. SALSBERG: We have a lot to criticize in the Liberal party, and we shall criticize it.

MR. HEPBURN (Elgin): I do not think I could stand a cruel word from the hon. member for St. Andrew, may I say to my hon. friend.

MR. SALSBERG: My hon. friend, I think, will not find cause to object because he will recognize constructive wisdom and accept it, I am sure. The fact is that it is only as a result of the pressure demand generated by the labour movement and progressive people generally that the Government and governing parties generally have realized the need of bringing about some reform in the matter of education.

When the fifty per cent cost of education was undertaken to be borne by the Government we then maintained and we still do that that should only be the beginning. We maintained then and we maintain now that one hundred per cent of the cost of education should be borne by the provincial government so that the property owners would be relieved of that burden. Last year in this House we made a big point of the government's failure to assume fifty per cent of the cost of education, which it had promised to assume.

MR. MILLARD: And then you voted for them.

MR. SALSBERG: I beg pardon. We certainly did not. We appealed to the Government to use the surplus to pay for the costs of education as they had promised, and we were the only ones in the House to do it. The records will show that we appealed to the Government to

use the surplus which they had inherited to assume at least 25 per cent of the costsof education for the time being, because the Government had overawed us with the magnitude of the problem, saying that it required a royal commission to make the most thorough investigation of it, and that it would require a long period of time. We as new members, in view of the magnitude of the problem as the Government expressed it with which they were suddenly confronted, urged that at least half the surplus which the Government had not created themselves but had inherited should be handed over to the school boards. The Government did not accept our advice. I honestly believe that from the very beginning they have used this question as a political prop, a political strategy.

In August the Prime Minister was so certain that it was impossible to carry out his pledge that he committed himself in a radio speech. What happened was this. The Prime Minister was then dealing with what he believed would become a much bigger public issue in getting votes. Unfortunately for the Prime Minister it exploded in his face. The issue that he raised with respect to the family allowance exploded in his face, and then the question that he had thought was of secondary importance, one that could be shelved, he was compelled to resort to, and that is why at this session of the Legislature the Government are proposing to use last year's surplus to pay for the coming year's educational costs. That is an important point to be remembered.

Certainly the Prime Minister, who is also the Minister of Education, knew whether it could or could not be done. He was so certain that it could not be done in August last that he committed himself in a

radio speech, and that commitment is in the printed record of his speech. He realized that something had to be done when the family allowance issue exploded in his face and so this plan to assume the educational costs to the degree proposed was brought down hastily, with this supplementary estimate of over $8,000,000, but without providing for next year's costs, which will approximate $26,000,000. He is taking the $8,000,000 out of last year's surplus. But what about the balance? No provision is made for that, and it could not be provided for hastily because the whole subject was a political prop used by the Progressive Conservative party to cover a hole in their political platform.

Let it be understood that this party is not objecting to this amount being granted, but we do want to clear up certain points.

There is another point that should be cleared up. It is incorrectly represented to hundreds of thousands of the citizens of this province that the Government is assuming fifty per cent of the costs of education. What did the Minister of Public Works say in his interjection? I heard something that sounded like a grunt from him, Mr. Chairman, but I would expect that from him.

As I was saying, it is incorrectly represented to hundreds of thousands of the citizens of this province that the Government is assuming fifty per cent of the school costs. But let us see whether that is the case.

In the city of Toronto the Government is assuming less than thirty per cent of the school costs. Yet Progressive Conservative speakers, from the members of this House down to the smallest ward heeler go about

and tell the citizens of Toronto that the Government is assuming fifty per cent of the school costs.

MR. DUCKWORTH: Is not that right?

MR. SALSBERG: Of course it is not. There is an hon. member who does not know the facts.

MR. DUCKWORTH: On a point of order, Mr. Chairman, I ask the hon. gentleman to explain how he arrives at his conclusion that the Government is not taking over fifty per cent of the school costs.

MR. SALSBERG: In Toronto, I said.

MR. FROST: Would you reduce Cobalt's seventy-five per cent?

MR. SALSBERG: I would not. As a matter of fact I would relieve Cobalt of the entire cost of education. I think that ought to be done, and I would free the rest of the province of the school costs, but particularly Cobalt, which was an unfortunate town for the Minister to cite, because for thirty years Cobalt has been exploited and millions taken out of that area and then the community was left high and dry by those who had made their fortunes out of it.

I think it should be made clear that this question of the assumption of school costs by the Government is used by them as a political prop. We in this group have advocated and will continue to advocate both in the House and outside of it that one hundred per cent of the school costs should be assumed by the province. We think that is only right, and we think that that eventually will be done.

But we do think that it should be made known to the citizens of Toronto, as well as to the citizens of other places where the same thing applies, that they are

not being relieved of fifty per cent of the costs of education at this time. In Toronto it is less than thirty per cent. That should not be so.

I want to assure the hon. Provincial Treasurer that we have not been in the least afraid and are not afraid to face our constituents on this question. We are not afraid of the vote on it to-day, as we were not afraid of the vote on the question last year. I am quite prepared to face the electors because they know where we stand on this question. The Tories were in power for years on end but they brought no relief to the property owners in the municipalities. They left them with a burden of debt from which to-day they are struggling to get free.

In conclusion, Mr. Chairman, I would say to hon. members on the Government side, who may try to use this question as a political prop to cover up a multitude of sins, they will find their motive quite transparent to the electors and in my opinion it will be another case of too little and too late.

MR. DUCKWORTH: Mr. Chairman --

MR. LEAVENS: Mr. Chairman --

MR. WILLIAMS: Mr. Chairman, the hon. member for Woodbine was on his feet before the hon. member for Dovercourt rose, and the hon. member for Dovercourt should sit down.

MR. DUCKWORTH: I do not think it becomes any hon. member to order another one to sit down. It is not even courteous.

MR. WILLIAMS: If this is going to be a contest I can shout too.

MR. LEAVENS: It was interesting to hear the hon.

member for Dovercourt attack the statement made by the hon. member for St. Andrew that fifty per cent of the costs of education in Toronto had not been assumed by the Government.

MR. DUCKWORTH: On a point of order, Mr. Chairman, I did not speak of the educational costs in the city of Toronto. My question was how the hon. member for St. Andrew arrived at his conclusion that the Government was not assuming fifty per cent of the educational costs in the province. I did not say in the city of Toronto.

MR. LEAVENS: If I was in error, I take it back.

MR. DUCKWORTH: All right.

MR. LEAVENS: But there is no Progressive Conservative member sitting on the Government benches representing a Toronto speech who was not elected on that definite promise of the Government to assume fifty per cent of the educational costs. If they had told the people what has happened in regard to that fifty per cent there would not be so many members from Toronto sitting on the Government benches.

MR. JOLLIFFE: Not even the hon. member for Dovercourt.

MR. LEAVENS: We stated then as we do now that the Government made a promise which they knew they could not fulfil and now they are taking off a slice of the fifty per cent here and adding a little there to try to cover it up. Toronto was promised that fifty per cent of its educational costs would be assumed by the Government. Every Toronto member sitting on the Government side and every one of their speakers made that statement on all their political platforms. So do not let us kid ourselves that that promise was not made.

MR. WILLIAMS: I am rather interested in this debate because I am learning quite a lot. Those members who are banging the desks are certainly not the ones who are teaching me.

MR. DUCKWORTH: I can teach you a lot of things.

MR. WILLIAMS: Just as the Premier can teach you. If you are going to start that game, two can play it. You keep your remarks to yourself, Mr. Minister of Highways, because I have seen too much of that sort of thing practised in this House already.

MR. DOUCETT: I am quite prepared to take care of myself.

MR. WILLIAMS: This question of educational costs reminds me very much of the radio program of Amos and Andy, where I have heard many times "One million, two million, three million," and when I heard of the $27,000,000 for education I could not help but relate them to the fictitious millions of Andy, because I learn to-day that there was no such $27,000,000 at all. Why was the story of that $27,000,000 circulated so widely amongst the people of this province if it was not to give the impression that there actually was $27,000,000 to be spent on education? We have had to wait until this session of the Legislature in 1945 for the people to really know how they have been fooled because it is only now that we are told that there is only nine million dollars of a surplus, approximately.

I do not know who conceived this system of paying these grants, but whoever conceived it I must pay tribute to him for having conceived a very clever political move, because I know conditions in the city of Oshawa. I know that the Progressive Conservative candidate in the last

election conducted his campaign on the assurance that the people of the city of Oshawa could expect, if the Progressive Conservatives were put in office, that the Government would assume fifty per cent of the cost of education.

MR. MacLEOD: They had banners across the street to that effect.

MR. WILLIAMS: That is where their cleverness came in.

MR. DUCKWORTH: Are we really clever?

MR. WILLIAMS: I have already said that I did not know who conceived this plan, but it does amaze me that the hon. member for Dovercourt should claim credit for such cleverness. I would imagine that even amongst the Minister's supporters there is no one who would attribute such cleverness to the hon. member for Dovercourt.

MR. DUCKWORTH: I want to tell the hon. member for Ontario that I am far more clever than he is.

MR. WILLIAMS: In this House we bow to the Speaker and the Chairman, but in this case I feel inclined to bow to the hon. member for Dovercourt. I will try and remember in the future how amazing clever he is.

In the city of Oshawa the Progressive Conservatives issued a booklet showing the percentages that were going to be paid in various places. I find that in the city of Oshawa they are not going to get fifty per cent of the cost of education assumed by the Government but only thirty per cent.

MR. FROST: Thirty-five per cent.

MR. WILLIAMS: And in a place adjacent to Ottawa,

but closer to Whitby, Brooklin, the percentage is more than fifty.

MR. FROST: Brooklin will probably get sixty per cent.

MR. WILLIAMS: That is right. That is what I am saying. The Minister does not need to help me when I am saying what he means. So that puts all of us in this sweet position, that if I raise a fuss because the people of Oshawa are not getting fifty per cent, the Government can claim that the people of Brooklin are getting more than fifty per cent. I am not sure that the hon. member for Dovercourt had anything to do with thinking that one up.

MR. DUCKWORTH: How does the hon. member for Ontario know what I had to do with it?

MR. WILLIAMS: We do not know what these percentages amount to in terms of dollars and cents. We know that there is to be an initial payment of eight and three-quarter million dollars, but when we come to relate that to places we do not know how much it amounts to in dollars and cents. I would ask the Minister of Education or the Provincial Treasurer to please tell me how much in dollars and cents Forest Hill Village is getting as compared with a place of approximately the same size, both in area and population, namely Galt. How much will each of these places get? I would like to be told by one or other of the ministers.

MR. DREW: Naturally that question cannot be answered offhand. What can be answered is that the regulations apply uniformly to the whole of Ontario on the basis set out.

MR. WILLIAMS: I know they apply uniformly. I am not questioning the fact that they apply uniformly.

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But the actual amount of educational costs in a particular area ought to be taken into consideration. Forest Hill Village, for instance, is a wealthy place, where there are a lot of people who can spend a lot of money on education, as compared with the city of Galt, which is comparable in population and area, but where the people cannot afford to indulge themselves so much in education.

MR. FROST: They will from now on.

MR. WILLIAMS: All right. I am willing to join with hon. members on the Government benches in being optimistic so far as this first payment is concerned, but frankly I cannot be optimistic as to what the municipalities are going to get after this first instalment has been paid. I have been waiting to hear somebody say, as the hon. member for Welland was trying to get the Government to say, when will they get the second cheque? We know they will get the first cheque right away, but personally I am not being fooled by it either. I know why it is being done, I think, We are going to have an election in the province of Ontario and this is to be one of the Government's strong campaign appeals. They want to be able to say: See what we have already given you, and if you return us to power we will give you the balance. But the Government can give us no assurance in this House to that effect, and we have a right to know.

Here in this document which I hold in my hand it shows where the money is coming from and where it is proposed to send it to. But I want to know when are the municipalities going to get their second cheque. That is a simple question. If you cannot answer it, say so. But you do not want to say so because if you did it

would be used against you in the election which is coming upon us.

I will give you an answer to the question I asked about Galt and Forest Hill Village and when the second cheque is coming.

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MR. FROST: Mr. Chairman, I think it is impossible to answer the first one out of my head. I mean, it actually requires a very considerable amount of computation to figure out --

MR. WILLIAMS: If the hon. Minister (Mr. Frost) would allow me; that checking is going to be done immediately, unless I was entirely misinformed, because the reason I voted for the supply to-day was that the checks were to go out immediately.

MR. FROST: That is right, but we would have to compute it. Our difficulty is this; at the moment a lot of the computations are being done on the basis of the 1943 costs. That was the last complete year. The ones for 1944, with many of the school boards, may not be completed for some time, and we would be enabled to pay on the basis of approximately 33 percent or 34 percent -- approximately one-third, and that would be approximately correct.

Now, I would say this to my hon. friends, -- and I do not want to leave the House in doubt as to when it is our intention to pay these other payments; to be quite frank, we hope to make these payments in three instalments during the year. The first payment is before the House, and that will be paid before the 31st of March. I would think the most satisfactory date we could arrive at for the second payment would be between the 15th of July and the 1st of August, and the third payment about the 1st of November. That is the intention.

To give you an actual date is somewhat difficult, because there are a lot of factors which enter into it.

You might say, "Why not make it in one payment?"

That would be a balance of, say, seventeen million dollars to pay and if we pay it on the 1st of November, it means that some of the municipalities and school boards would have to finance themselves in the meantime. On the other hand, there is no justification in making it as a pre-payment before the money is required, because we have our own financial obligations to care for. I would say the last part of July and the latter part of October are the dates we have in mind.

I would like to give the House this statement of overall payments, because I am taking violent exception to it, and my expressions concerning overall surpluses have been quite as violent as the hon. member from Ontario (Mr. Williams).

Now, my hon. friend from Elgin (Mr. Hepburn) knows perfectly well that I always objected to overall surpluses, and it was not included in the budget last year. I would like to read you what appeared last year:

> "Last year at this time, there was presented to the House an estimate of the overall surplus for the year ended March 31, 1944, of $20,682,897.88. I find that this combination of capital and ordinary receipts and expenditures creates a wrong impression. A capital surplus does not necessarily reduce the debt. On the basis of such an overall statement there is a tendency to confuse the same with an ordinary surplus. However, for the purpose of comparison I now present in a similar manner a statement of revenues and expenditures, both on ordinary and capital accounts, based on ten months actual and two months forecast."

Now, I want to say this to the hon. members of the House that so much have I disagreed with overall surpluses that this year it is not in the budget at all. I do not think it needs

anything other than a comparison, and there was a forecast made in the budget of 1944 which my hon. friend from Kent (Mr. Thompson) had prepared and, therefore, to fulfill his forecast, I put the amount in, but it is not included in this year's budget. I do not like overall surpluses. I think they mislead.

MR. JOLLIFFE: How long has this window-dressing been going on?

MR. FROST: In answer to the hon. Leader of the Opposition (Mr. Jolliffe) I may say that overall surpluses were first introduced into the budget in Ontario about five years ago. Previous to that overall surpluses were never heard of, but overall surpluses were introduced at that time, and it was carried through, but I have found it always misleading to the people.

When you say "overall surplus" naturally people think you have twenty-seven million dollars in the bank or on hand which can be spent for other things. From the standpoint of the man on the street, it cannot bear any such interpretation. A surplus, in my opinion, is a surplus on ordinary accounts, and that is a true test of the reduction of the net debt.

MR. HEPBURN: Mr. Chairman, I am very glad the hon. member for Ontario (Mr. Williams) raised this particular point, and I am rather disappointed that the hon. Provincial Treasurer (Mr. Frost) did not read the whole statement. There is no doubt an erroneous impression was created last year and this year with regard to the ~~whole~~ alleged surplus. The hon. Provincial Treasurer (Mr. Frost) is a clever lawyer and can skid around certain points with great dexterity.

May I refer to his budget speech under the streamlined heading "overall surplus", a part of which he read, but not all of it. Now, let me read the rest, because the impression went out that last year the Government had a surplus of twenty-nine million dollars,--he is a "piker" --he is out two million dollars there, so that the budget claimed a surplus of $27,000,000.

Well, why did that impression go abroad? He read part of the qualifying statement, but not the conclusion, and the press naturally jumped at that conclusion. Here is what he said after announcing an interim overall surplus of $29,251,395--and I ask you if, in your good judgment,-- whether or not the press was right in assuming there was a surplus. He said;

> "However, for the purpose of comparison I now present in a similar manner a statement of revenue and expenditures, both on ordinary and capital accounts, based on ten months actual and two months forecast, figures showing an interim overall surplus for the year ending March 31, 1944, of $29,251,395.21 made up as follows:"

Then he gives the items. And then he goes on to say:

> "While the above gives a general picture of overall receipts and expenditures, the same in no way should be confused with ordinary receipts and expenditures."

MR. FROST: That is right.

MR. HEPBURN: (Elgin): Wait until I finished it. Wait until I get the other part added onto it. He goes on:

> "And I submit that it is the next debt which should more particularly concern us at this time. Our overall surplus which includes the ordinary surplus, particulars of which have already been given, and the provisions which we have made for the reduction for net debt will correspond with the reduction in net debt which I shall give presently."

Now, just listen to this:

"From the standpoint of ordinary receipts and expenditures and net debt, this is the true overall surplus of ordinary accounts."

MR. FROST: It does not say anything of the kind.

MR. HEPBURN (Elgin): Mr. Chairman, have I the floor or not? Sit down, I have the floor.

MR. FROST: I will not, I say that is a deliberate mis-statement. That is the way my hon. friend reads it --

MR. HEPBURN: On a point of order, Mr. Chairman, have I the floor or not?

MR. FROST: On a point of order --

MR. HEPBURN: Let us have a standing contest.

MR. JOLLIFFE: We all want to hear both of them, if they will only please take turns.

MR. HEPBURN: I want to read the last sentence in this:

"From the standpoint of ordinary receipts and expenditures and net debt, this is the true overall surplus of ordinary accounts."

MR. FROST: Yes, the net debt reduction.

MR. HEPBURN (Elgin): Well, I guess I had better give in --

MR. A. H. ACRES (Carleton): Mr. Chairman, I have been trying to get up two or three times; I have sat in this House for a good many years and in answer to the hon. member for Elgin (Mr. Hepburn), may I say that he is the last hon. member of this Legislature who should talk about juggling the figures, from what he has done, in order to make a sunshine budget in 1937, when he transferred from the Provincial Bank around seventy million dollars, to balance the budget and I can produce the budget statement and the day and the date on which it was transferred.

Following that, the budget in the next year, he transferred millions from the Hydro Commission to bring in a balanced budget. I have listened --

MR. HEPBURN (Elgin): Well, I gave up to the hon. Provincial Treasurer (Mr. Frost).

MR. BLACKWELL: Now, let him take it.

MR. HEPBURN: I gave up--

MR. ACRES: I am not giving away to you. I want to say, that I believe in reasonable courtesy. We are elected here to do the business of this province, and there never was a member of this Legislature, in my estimation, during my experience of twenty-two years, who could juggle figures as the hon. member for Elgin (Mr. Hepburn). He knows he misrepresented the budget on two occasions running into millions, before it was transferred back. I challenge the hon. member for Elgin (Mr. Hepburn) to say whether he had any bonds or securities before that of thirty million dollars which was transferred from the Provincial Bank to the Provincial Treasury, in order to have a balanced budget, and a sunshine budget for the election, and he knows it as well. All you have to do is to look at him and he has a guilty look.

The hon. member talks about paying one hundred percent, and the hon. member for St. David (Mr. Dennison) is talking about it. Well, long before he was heard of in public life, or his name was even known in Toronto, I advocated that greater assistance should be given to education in this province.

I come from a rural section, and another part of Ontario. The revenue belongs to all the people, and the people who live in the city of Toronto are the last people

who should get up and talk about getting twenty percent of the costs of education.

MR. JOLLIFFE: Why promise it to them?

MR. ACRES: All right. They were getting more than that. If you look at what the University gets, and realize the fact that thirty percent of the students are living in Toronto, and that in the rural sections they are paying over two million dollars to the Toronto University, you will see what I mean. Let us be fair, Mr. Chairman. The city of Toronto, with its University, which is providing the final education, which should be a capital investment is getting over two million dollars, and yet to-day over thirty-five percent of the students going to Toronto University are living in the radius of the city of Toronto. They are getting more than fifty percent, and any man who says they are not should go back into the figures again.

MR. HEPBURN (Elgin): For the hon. Provincial Treasurer (Mr. Frost) I am prepared to answer him, after this interruption.

MR. FROST: I do not like my hon. friend reading from what I said last year. It is what I said, but I was trying to carry out what I told you before, that the net debt and surplus on ordinary accounts is the true test to anybody. It says:

> "Our overall surplus will include the ordinary surplus, particulars of which have been already given to the province, which we have made for the reduction of net debt, and will correspond with the reduction in our net debt, which I shall presently give. From the standpoint of ordinary receipts and expenditures and net debt, this is a true overall surplus of ordinary accounts."

MR. HEPBURN (Elgin): Now, Mr. Chairman, could I

digress just for a minute and pay a tribute to my hon. friend from Carleton (Mr. Acres). I cannot help my looks, I am as the Lord made me. Sometimes I think he made a mistake with respect to both of us.

But he charges that I transferred thirty million dollars from the savings office of Ontario in order to balance the budget. That is an absolutely untrue statement. I would have broken the bank if I had done anything like that. The other charges are equally ridiculous.

Now, what I am trying to impress upon the hon. Provincial Treasurer (Mr. Frost) and also upon the hon. member for Ontario (Mr. Williams) that I agree with him that an entirely wrong impression ~~is~~ has been created.

I want to read from the summary this sentence:

> "With the permission of the House I table a summary of the amount of ordinary expenditures and revenue. This shows a surplus as providing for sinking fund requirements of $8,638,877.67."

That is what the press took out of his statement. True, he qualified it later --

MR. FROST: Read on.

MR. HEPBURN: (Elgin): I do not need to read, I can reason from here on. That is what the press took from your presentation, and that was what was typed in an eight-column streamlined ~~heading~~ newspaper headline over the whole province of Ontario, and the people believed you had a surplus of nine million dollars. You had nothing of the kind, and you know it. Ten months actual and two months forecast, and in the two months forecast you should have deducted the amount you are asking now to be paid to the schools --

MR. FROST: I had already deducted it. It shows in

the statement clear deductions, and it shows a surplus of $114,300.

MR. HEPBURN (Elgin): I am in agreement with the hon. member for Ontario (Mr. Williams), and it has taken a terribly long time for truths to catch up with a half-truth. If you had been honest, you would have deducted the amount. You never would have shown a surplus of $8,000,000. or $9,000,000. That is an entirely erroneous impression.

MR. FROST: Would the hon. member for Elgin (Mr. Hepburn) look at Page 19 of the budget presented, and it says:

> "Surplus, before providing for provisions for sinking fund and railway aid certificates, $13,899,563.11.
>
> Less provisions for sinking fund $5,236,000.
>
> Railway aide certificates $24,685,44.
>
> Interim Surplus $8,638,877.67. The balance of surplus after the profits are allowed, amounts to approximately $114,314.00. How much more honest could a person be in putting that to the people for any hon. members to read?"

MR. HEPBURN (Elgin): It was smothered in such a conglomeration of words that the press never found it. I am pointing out that in the first sentence of the summary which the press uses as a rule, you say:

> "I am able to report an interim surplus of $8,982,000."

and that created an entirely wrong impression throughout Ontario. And you come into the House and ask to vote in this fiscal year almost the entire amount, and yet you can search through the newspapers and find that in eight-column

streamlined headings depicting a surplus of nearly nine million dollars, and that is not true. That is not according to the facts. And I say to you now, unless you vote this money before the 31st of March, it will have to remain in the consolidated account, and that is why all this undue haste. You are throwing two years together in order to make good one of your election promises, and are deliberately fooling the people of Ontario, and you know it, and everybody else knows it.

THE CHAIRMAN: Item Number 198.

MR. HARRY C. NIXON (Brant): I have an objection to register, too. The hon. Treasurer (Mr. Frost) has repeatedly said how offensibe to his ears the term "overall surplus" is.

MR. FROST: The way my hon. friend for Elgin (Mr. Hepburn) used to use it.

MR. NIXON: But why do you not object to this term, "Overall cost of education.", because it was not the promise that you made that accounted for two-third of the seats you have in the House at the present time. Your promise was that, as an initial step in that direction, the Provincial Government would assume at least fifty percent of the school tax now charged against real estate. There is nothing about overall costs of education there. Nothing could be more definite than that promise was, and I said last year, and I say now that no Conservative candidate should be able, or should think of facing the electorate in this province unless he can tell any ratepayer in the audience to produce two tax bills showing the Government has paid fifty percent of the costs of education that was charged against that real estate. Is that not a fair statement? That is what

the people of this province expected, and what they are not getting from this Government.

And also, the hon. Provincial Treasurer (Mr. Frost) waives the advertisement here, something about "We will not let you do it, George." Well, there is nothing there to suggest we would not let you increase the cost of education.

MR. FROST: Oh, yes there was.

MR. NIXON: I think there was strong objection to letting the great corporations, including the Globe & Mail, have their school tax, which they should pay in this province --

MR. FROST: How about the Star?

MR. CHAIRMAN: I declare it six o'clock.

The chairman declaring it to be six o'clock, the Committee recessed.

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THE LEGISLATIVE ASSEMBLY

SPEAKER: Honourable William J. Stewart, C.B.E.

Toronto, Ontario,
Wednesday, March 14, 1945.

EVENING SESSION

The Committee resumed at 8:00 o'clock.

CHAIRMAN: Mr. W. B. Reynolds.

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THE CHAIRMAN: Order, please. Vote No. 198.

MR. F. O. ROBINSON: (Port Arthur): Mr. Chairman, I am not a mathematical wizard, and I cannot arrive at the conclusion as to how this government is going to raise this money. But I can understand how the people in my part of the country are going to view it. The people in the Northern part of Ontario are disappointed because they cannot understand how this is going to aid education. They feel that this money is being passed on to aid the taxpayers, and it will relieve the big fellows more than the little. But the great thing is that it is an aid to education which is so badly needed in that part of the country and it is a disappointment that education itself is not reaping a greater benefit from this money. The greater part of it is being passed on to the taxpayers; and many are expressing disappointment that this money does not find its way to the benefit of eduction to a much greater extent. They were mislead by the promises. They honestly felt that this money was going to be passed on for the benefit of education; and, as was pointed out by the leader of this part of the House, you cannot tell the people that it is in both boxes at the same time. Up there they can see that the ones who are going to benefit from

it are the big taxpayers along the water front, while the average taxpayers are not to be benefited to the extent that they were lead to believe.

That portion which most greatly interested many is suffering because of it. So, without discussing whether it is or is not possible to pull eight million dollars a year under a capitalist government, I have found out that others have been unable to meet the desires of a great many people who were under relief years ago. They were told that the money simply did not exist. Now, after this war is over, whether this government can raise that amount of money or not is another question. It is quite a disappointment that education itself has not benefited more greatly under this.

MR. WM. J. GRUMMETT (Cochrane South) Mr. Chairman, I would like to know whether any special assisted grants will be considered in the future. Up in the north we got to call them hand-outs; and I can tell you that they created a lot of hard feelings.

I believe that under the system which the government has initiated here it will save a lot of the hard feelings. And if you will cut out the vicious hand-outs, we will be thankful. They have been in vogue for, as far as I can remember, about fifteen years, and there has been nothing that has caused so much dissension in sections where you get different sections of schools, than these under-the-table handouts. It all depended on how much lobbying you could do at the Department of Education; and some were a little more favoured than others; and of course the others knew what was happening. If the government can assure us that there will be no under-the-table hand-outs, I will be satisfied.

HON. L. M. FROST (Provincial Treasurer): In answer to the question asked by the Hon. member for South Cochrane (Mr. Grummett) there will be no more hand-outs under this scheme. This is on a straight percentage basis and depends upon the class into which the school falls.

I would say to my friend that in my own county there is something akin to what is in the north country, and there had been a lot of grants due to the sort of country it is, which is unable to afford good schools. You might say that all those schools in the country running across that part up there. But that will cease entirely upon the basis that is set up here.

MR. WILLIAM M. DOCKER (Kenora): Mr. Chairman, I would like to ask the Hon. Minister if this is not correct, that any school board may choose what system of grants they like. Theymay accept this system of grants or they may accept the old system of grants.

MR. FROST: You have already got your answer and it is plain.

MR. GEORGE I. HARVEY (Sault Ste Marie): That is in the regulations.

MR. FROST: I will send my friend a copy of the regulations. Have you seen the regulations which have been distributed throughout the country? There is no alternative system contained in the regulations; and there is not any option in the regulations. The regulations are clearly understandable.

MR. MITCHELL: The Hon. member is confusing special grants. Special grants are given where school boards are believed to be in need and unable to support the schools; and therefore special, more or less secret, grants were made to a particular school board. That is what they are questioning

the Hon. Treasurer upon.

MR. WILLIAM C. RIGGS (Windsor-Walkerville): Before the adjournment I was questioning and I understood that there were no protests made on these grants. But I received a letter from the City of Windsor complaining about the inequality between the Separate and the Public Schools, and pointing out that the public schools were costing about one hundred and seven dollars per pupil while the separate school was costing about fifty-two dollars per pupil.

Under the new system the inequalities are brought to the front. From the remarks of the Hon. member for Cochrane South (Mr. Grummett) it is evident that there are not to be any grants in the future as there have been in the past, and I was wondering how that was going to apply to the sections where they had not been able to pay sufficient money to their teachers, and how they would get teachers.

MR. JOLLIFFE: Is the Hon. Minister going to answer that question?

MR. FROST: The way the question is put, I am unable to gather just what the Hon. member is asking.

Let me take, for instance, the City of Toronto. Here the grants for public schools are on the basis of thirty per cent of their costs of operation. The separate schools are on identically the same basis of thirty per cent of their costs.

In other schools it works out a little differently, at about twenty-seven per cent of their costs of operation. There is no favouritism. The grant is based upon the costs of operation of the school. I presume that will answer the question.

MR. WILLIAM M. DOCKER (Kenora): Mr. Chairman, this letter was not from the separate school board. The

City Council is taking up the cudgels. The public school pupils cost one hundred and seven dollars per pupil and the separate school costs were fifty-two dollars per pupil.

MR. FROST: A calculation like that when applied to grants in Ontario is impossible. The old grants paid to the schools in Ontario amounted to about eight million dollars. In the City of Toronto that amounted to a mere pittance. The public schools of the City of Toronto received about ninety-three thousand dollars; and actually, I believe, that was carried out throughout the Province; and the separate school system in Toronto received about thirty-two thousand dollars.

I remember that under the old system it was on the basis of what was termed assisted grants. My friend from Elgin (Mr. Hepburn) used to refer to under-the-table grants. I must admit that I do not think that expression was fair to those who received assisted grants, and there were a lot of public schools who received assisted grants.

If you get down to a basis, this is the result. Say in a normal Ontario Township with a dozen school sections, you might find two school sections which were adjoining, where the one had ten pupils, and the other had thirty. It does not cost anymore to educate the thirty than it does to educate ten; but you give a larger grant to the school with thirty pupils and practically nothing to the school which had but ten.

Now, that is reversed. The result is that the amount of grant, as between school sections would vary so that it would be impossible; and I would say that with grants on this magnitude, to go into it on the per pupil basis would be impossible. It would result in inequalities between the schools themselves; and between Townships it would be simply fantastic.

The fairest way to take the situation is to take a municipality where, supposing you have a dozen different school sections in that municipality, as we have in hundreds of townships in Ontario, their grants are based upon the costs of operation. When you take that standard you get to the closest point of equality that it is possible to get. I can say this, if you are going to reduce the method of distribution of these grants to a per-pupil basis, you would have a situation that is impossible.

MR. WILLIAM C. RIGGS (Windsor-Walkerville): Is it not possible that the Commissioner is going to try to straighten that out?

MR. FROST: What is there to straighten out? Take two school sections: supposing you have one school section with ten pupils, and it costs, to educate those ten pupils, say, for instance, three thousand dollars; and in an adjoining school section you have thirty pupils, but it costs the same three thousand dollars to educate them. What possible justification would there be for putting them on a per-pupil basis? It seems to me the fairest way is to put them on a basis of cost. I realize there are some school sections that have been operating very cheaply, and their grants are not as high as other school sections operating expensively, and their grants will be higher.

But, in the long pull, it will even itself out, and that answers my friend, who said he was disappointed in the fact there had not been any changes in the Act.

I might just point out, we are at war, and there is a tremendous shortage of teachers. The hon. members of the House know we have not done a single thing to hamper the school boards. We have left them with full authority. In each school

section the school board has a perfect right to go ahead. We are not hampering them. We ask them to use reason and common sense, and I am satisfied the school boards and municipal councils across the province of Ontario will use a good deal of common sense. But, I venture to say that five years from now you will have, in the province of Ontario, as a result of this move, a very greatly improved school system in Ontario, and you will have many of the inequalities that exist now in connection with salaries and equipment and school buildings ironed out. You cannot press a button and do that, but it will take time, and with the cooperation of our people and the school boards I think it will completely change the educational system in Ontario.

MRS. R. M. LUCKOCK (Bracondale): I feel the bone of contention is that when the Progressive Conservative Party promised fifty per cent. of the cost, - the province would pay fifty per cent. of the cost of education, - and has not been able to do it, I think it should have put it fairly to the people, and I think the fair way would have been to say, "We hope to pay fifty per cent. of the cost of education," and then do the best it can. That is how a great many of the people in this province feel.

I think it is a pity when we political-minded people say something that we do not really mean, and I do not think that tends toward good government, and that is why I feel disappointed myself.

I am not against the stronger helping the weaker, - as you say, the school boards with thirty pupils will help pay the costs, and the cost of educating thirty is no greater than the cost of educating ten. I am willing to

help my weaker brother. I am not against that. I think frankness and honesty are the things that count. Let us say what we mean, and do the best we can, and not say we are going to do something and then find we cannot.

MR. FROST: We are paying fifty per cent. of the cost of education, fifty per cent.of the gross cost.

But now I will ask the hon. member this: she comes from the city of Toronto, and the city of Toronto receives a grant, on this basis, of thirty per cent. The next class of municipality is the municipality in the urban areas under one hundred thousand, and they receive thirty-five per cent. The class of municipality between five and ten thousand receive forty-five per cent. That varies on down the line to sixty per cent. of the cost of education.

Now, the purpose is this, and I used this expression in the House last year, - I have the regulations here. The actual figures were, over 100,000, thirty per cent.; between 10,000 and 100,000 population in urban areas, thirty-five per cent.; from 5,000 to 10,000, forty-two per cent.; from 2500 to less than 5,000, fifty per cent. Less than 2500, sixty per cent.

2. I remember in the Budget Address last year stating this, that we did not want to get into a system of grants which was going to make the poor poorer, and the rich richer, and I remember some hon. members from the other side agreed. That has been the purpose in devising this sytem on this basis.

The city of Toronto bears seventy per cent. of the cost of education, but when you get into parts of Ontario, such as Cochrane, the little bit they pay for education,

comparatively, is a tremendous sum of money, and the result is it has been an effort to spread the things out to get equality across the board. That is the purpose, and I would say ninety-eight per cent. of the school boards in Ontario, I believe, are receiving fifty per cent., or better, of the cost of education.

In the town I come from, it is forty-two per cent. The opportunities for our children in Lindsay are not as great as in the city of Toronto. We have not got vocational schools, and we have to provide them, and this gives an opportunity of extending that to the great number of centre-lying communities across the province to-day.

I do not think the people of the city of Toronto should be disappointed because their percentage of increase is the greatest in the province of Ontario. Now, take that, the public schools, where they get $93,000 in grants for public schools, now they get in excess of $2,000,000. They get, in excess, as much as twenty times the amount they got previously. I have not had any protests, but I have had such notice of commendation throughout the province of Ontario. The people, themselves, have been pleased with the fact that these grants have been so arranged as to help the little fellows in the poorer communities. That is the design all the way through. In the rural schools, in a school section assessed at $80,000, and more, per class room, they receive fifty per cent., and that is graded down to less than $80,000, in which case they receive up to 90%.

Take a farmer in a good community, with high assessments. These people will not "kick" at getting fifty per cent., and a neighbour a few miles away, where there is a low assessment, and poor equipment, gets ninety per cent.

MRS. R. M. LUCKOCK (Bracondale): I would like to inform the hon. member I think a child in the back ~~land~~ lines, out in the country, has as much right to get a good educa-yion as the people in the city of Toronto. I went to school in the back ~~lands~~ lines, and I think they are very, very much neglected. They are neglected, and have been neglected for years. They have as much right to a thorough education and as high an education as anybody else's child anywhere in the province of Ontario or in the Dominion of Canada, but what I mean is, I feel you have thrown a red herring or a fish worm to the people of this province to nibble at, and they keep nibbling, but now that you cannot produce the fish, maybe they will be angry.

MR. FROST: I do not think an increase of $18,000,000 is a fish worm.

MRS. LUCKOCK: You have done it one way, but you are saying it another way.

MR. L. GREIVE ROBINSON (Waterloo South): Could you tell us the total gross cost of education?

MR. FROST: Some place around $50,000,000, I think. I am not sure just now.

MR. GEORGE BENNETT (Windsor-Sandwich): Mr. Chairman, respecting the practice of the separate-school and the public-school children in the city of Windsor, the basis of cost, what is the equality of the educational facilities for school children in Windsor? The City Council is very much concerned about it, and so are the public, generally. The hon. Minister is very optimistic about the future. He says, "Sometime, some day, educational facilities will come to pass." But can he not, at the moment, give consideration about the degree of

equality in Windsor, and wipe out the difference between the public-school schildren and the separate-school children?

MR. FROST: As far as I can see, it is exactly the same in the city of Windsor as any place else. Under the old system of the grants, the operating costs by the separate school was $307,000. That is the 1943 figure. The old grants to the city of Windsor to the separate schools were $31,000, and now they receive $92,000. Surely that is some substantial assistance to the separate schools.

The public schools' costs were $1,118,000, and the grants were $13,000, but under the new system they are treated exactly the same, receiving thirty or thirty-five per cent, and the public schools receive $214,000. There is not a particle of difference in the way in which the schools are being treated.

MR. EDWARD B. JOLLIFFE (Leader of the Opposition): I am surprised to hear the hon. Minister say there is no difference in the way in which the schools are being treated. That is exactly as though rationing were instituted on the basis that you got a certain percentage of what you ate in 1939, and if one man had four times as much as the other, you could give him, in the year that you are rationing him, eighty per cent. of what he got in the basic year, and you say you are treating the poor fellow exactly the same as the other one.

HON. WILLIAM G. WEBSTER (Minister without Portfolio): That's the way we do with the beer.

Now, what the Windsor City Council resolution pointed out -- to which the hon. member for Windsor-Walkerville (Mr. Bennett) referred -- was this, that the cost of education in public schools in Windsor was about $110.00 per pupil, and in separate schools about $52.00 per pupil -- less than one half.

Now, I followed very closely the hon. Minister's (Mr. Frost) argument that you cannot base this grant on a per pupil basis. That may be, but I argue against that, that the question of the grant system has no relation whatsoever to what the hon. member from Windsor-Walkerville (Mr. Bennett) was talking about.

What the hon. member for Windsor-Walkerville (Mr. Bennett) was doing, was in fact pointing out that in the same city, under urban conditions, where costs should be comparable, you have one group of taxpayers' children being educated at a cost of $52.00 each, and another group of taxpayers' children in the same city -- all of them neighbours -- being educated at a cost of $110.00 a year. I anybody can say that is equality, I will stand on my head.

MR. THOMAS A. MURPHY (Beaches): Who is to blame for that?

MR. JOLLIFFE: Whoever may be to blame for that, I know there are some hon. members who would like to get out from under the responsibility by blaming somebody, but we are concerned with the position of the children themselves, and certainly they are not to blame for it; and, particularly for an hon. member who ran in the last election on the promise that there was going to be equality in educational opportunities for all children, I do not think that remark

is very appropriate.

MR. MURPHY: I think it is appropriate at this time.

MR. JOLLIFFE: Well, you may think it is.

MR. MURPHY: Certainly, I think it is.

MR. JOLLIFFE: But I am more interested in the fact that some children are getting educated at a cost of more than twice that of the cost of others.

We all know, as the hon. Provincial Treasurer (Mr. Frost) pointed out, that school costs in thecountry are not comparable to the costs in the city. That is perfectly obvious. School costs in a thickly populated section are greater than in a sparsely settled district, and I want to assure the hon. Provincial Treasurer (Mr. Frost) that I have not heard a single complaint from any source that the rural schools should be more generously assisted than the urban schools. I have not heard anybody make any complaint about that in the city of Toronto or in any other city, but I do hear complaints being made that the allocation of grants as between schools in comparable conditions is not equitable. I do not think this new legislative grant system will work. I think it will have to be corrected sooner or later, either by the government now in office, or a succeeding government. The point is that the urban school scale which is a percentage of last years approved costs, boils down to this: that you give more generous assistance to the people who were able to spend more money last year than you do to the people who had to spend less money last year.

MR. FROST: Will that not correct itself in the course of time?

MR. JOLLIFFE: How on earth will it correct itself,

unless it be by a different scale? I heard the hon. Provincial Treasurer (Mr. Frost) say, referring back to last year, that we did not want to get into a system that would make the rich richer and the poor poorer. I agree entirely. But that is exactly what you are doing. The Government is being more generous to the strong than to the weak.

MR. FROST: Would my hon. friend (Mr. Jolliffe) say that we are being more generous to the strong than to the weak when we say that the schools with an assessment of eighty thousand dollars are given fifty percent, but when we get down to the schools with an assessment of thirty thousand dollars, we are giving them ninety percent? Surely that answers my hon. friend (Mr. Jolliffe) right there.

MR. JOLLIFFE: Now, the hon. Provincial Treasurer (Mr. Frost) is a very intelligent man, so intelligent that he knows very well I am not talking about the scale for rural schools. He knows very well I am talking about the urban school scale, and one whereby your assistance this year will be a percentage of your approved costs of last year. That is what I am talking about, and I have already made it perfectly clear that none of us have any objection to the principle that a rural school should be assisted on a different basis, and more generously assisted.

If anybody has any doubt about the strong being assisted more than the weak, then let me proceed from Windsor to the city of Toronto, and this is what happens: In the city of Toronto, according to the latest available figures I have, which I think are for the year 1943 -- in

the city of Toronto you have a large centre of population, and you have large numbers of children attending the public schools, and large numbers of children attending the separate schools. Now, the costs should be comparable. It should be possible to carry on the public schools and separate schools of the city on a fairly efficient basis, but the results have been that a little over $108.00 was spent in 1943, per pupil. Now, do not misunderstand me; I am not asking for a system of grants --

MR. FROST: Are you arguing for a lower standard of grants for the public schools, and a higher standard for the separate schools?

MR. JOLLIFFE: I have no doubt the Government would like me to get them out of this difficulty and to suggest a system which would solve all the difficulties they have encountered, but I will not be diverted from the point, which is this, that in the city of Toronto in the public schools the assistance granted by the Government will amount to about thirty-three dollars per pupil on the basis of 1943 figures, and the assistance granted to the separate school board will amount to about sixteen dollars per pupil, on the basis of the 1943 figures, - sixteen dollars per pupil in one case, and thirty-three dollars per pupil in the other case. That is most certainly assisting the strong rather than the weak, and the significance of the thing simply is that in a case like that, less money was spent on a certain group of children, not because they could be educated more cheaply, but simply because there was not enough money to do the job which needed to be done.

There are other illustrations of the same thing. There are comparable urban centres which are not in the

same financial position, and were not in the same financial position, in 1943 and in 1944.

(Page 1292 follows)

That was the reason the hon. member referred to-day to the Village of Forest Hill. I am not going to give any specific illustration, but if you have two towns, each with a population of 5,000, and one of them is very hard up and has been hard up, perhaps because of its experience in the depression, and the other is more fortunate, it is perfectly obvious that you will spend less money on education in the poorer town than in the other. I think the Provincial Treasurer will agree with me in that.

What does the new grant system do? It gives more assistance to the one that has had an easy time and less assistance to the one that has had a tough time.

MR. FROST: We are helping the one that has had a tough time.

MR. JOLLIFFE: It will help the fellow who does not need the help, and will not help the fellow who does need it. We do not want to make the rich richer and the strong stronger.

MR. DUNBAR: The Leader of the Opposition has referred to inequalities in the costs of education and has mentioned the Windsor separate school. It was in default and not paying its debenture debt. If it had been paying its debenture debt its cost of education would be that much greater. They had a refunding plan last year covering forty years. So this thirty per cent. they are receiving will continue for thirty years longer than in the case of the public school paying off its debentures in ten years. That was the best they could do, refunding over a forty-year period, but their share of the debenture debt was not included in the cost of education.

Take the separate school in Ottawa. I got in

rather deep water last year over this matter. The school is under supervision and we tried to make a settlement of $80,000 a year for forty years. They had used their money out of the sinking fund and had not paid on their debentures. So I insisted that they should pay $80,000. Of course there was a lot of discussion and hard feelings over it. But what is the result to-day? They get thirty per cent of that $80,000 allowed this year If they had had their own way and had been allowed not to pay anything on their debenture debt they would have lost thirty per cent of $80,000, or $24,000.

You have to take a debenture debt into consideration in any comparison between different cities.

It costs a great deal more in Ottawa to educate a pupil in the public schools than in the city of Hamilton, because of the various services that are given in the Ottawa public schools. They have dental service, nursing and other services, and they were prepared to pay for those services. Would anyone argue that they should not receive the thirty per cent, that they should receive only twenty-five per cent, and that Hamilton because it was not providing those services, should receive thirty-five per cent.

In the case of a school board that has been paying its debentures and living up to its obligations the grant will be larger for say five or ten years until the debenture debt is paid off. In the other case, where a school could not meet its payments but spread the debenture debt over forty years, while the grant will be lower it will continue over a longer period. That explains partially the variation that there is between Windsor and Ottawa and other places where school boards have been under supervision. I do

not know how you can adjust that. They will be one year behind, as I see it.

I have received no complaints from Windsor. Dr. Morgan, the chairman of the separate school board there, was in my office last week and asked me about increasing the teachers' salaries. He asked if we would permit it, and I said, "Certainly, we will. We do not want to see any teacher underpaid."

AN HON. MEMBER: You have had no complaint from Windsor?

MR. DUNBAR: Not from the separate school board. Dr. Morgan was in my office last week and I never heard one complaint.

MR. JOLLIFFE: What about Windsor city council?

MR. DUNBAR: I am not speaking about Windsor city council, except that I can say this. The members are here and they are the greatest vote catchers for 365 days in the year that I have run across in Ontario.

MR. RIGGS: Is it not a fact that the separate school board of Windsor wrote a letter of protest to this Government? Does the Minister deny that?

MR. DUNBAR: Yes, they did not write it to our Department, and they are under supervision. We have never seen the letter. Mr. Morgan was in my office last week and I have never heard a word of complaint from him. He only asked if teachers' salaries might be increased. I talked it over with him and said, "Next year you will benefit. While you are one year behind the other schools who have increased theirs, next year you will be receiving thirty per cent on whatever increases you grant this year."

The Ottawa separate school board were here yesterday, and were sitting in the gallery. They asked me the

same question, put up the same proposition, and we had the same understanding. They know it will be only one year before they catch up, but they will be carried one year further on. Suppose the debenture debt of a public school is paid off in five years and of a separate school in ten years. It will be receiving thirty per cent of the balance of that debenture debt for a five-year longer period.

MR. BLACKWELL: Mr. Chairman, what I have to say on this subject will be quite brief. I am extremely regretful that a confusing element has now been introduced into the debate.

I think that the whole House should be grateful to the Leader of the Opposition for having cleared up for us one confusing factor. As I understand him, he has very happily clarified for us the fact that on the aggregate costs of education throughout the province the proposed grants represent fifty per cent of that total.

Not in my capacity as a Minister of the crown but in my capacity as the member for Eglinton Riding in the city of Toronto, I want to say that I feel that the great majority of the people in that area would be very happy to have fifty per cent of the cost of education worked out on a systemof grants whereby in respect of that area there is a grant of thirty per cent, because after all like in other great urban centres the houses there are close together, there is a large assessment, the standard of education is already high, and I believe that the people there will have in their hearts a very sincere desire to see at least this substantial step taken in the approach to equality of educational opportunity throughout this province.

I think their attitude in that respect will be consistent towards municipalities with the same assessment advantages and also towards municipalities out in the more scattered settlements where the assessment per class room is low.

It is idle to suggest that this is a complete and absolute approach to equality of educational opportunity. It is idle to suggest that at least it is not a substantial approach in that direction. I am grateful to the Leader of the Opposition for the contribution he made to clearing up that question.

There is an aspect though of the question that he raised here to-night on his responsibility as the Leader of the Opposition in this province, and that is the question of the relationship between the public and separate schools. That, Mr. Chairman, is a subject that no responsible person can play with.

Obviously, on the arrangements of these grants, this Government in the interests of those who support both public and separate schools has not seen fit to disturb the legal basis between the separate and public schools. The grants reflect that.

By the mere fact that the Leader of the Opposition drawing attention to the fact that the benefit under the grant is $33 per pupil in the public school and $16 per pupil in the separate school, he has made a declaration in this House that he is in favour of flouting the legal basis between the public school and the separate school. Either he means that or he does not. Having introduced that aspect into public discussion to-night he must take the responsibility and state now what he does mean. If he has the honesty and the courage he will answer that question and tell us just

what he means.

MR. JOLLIFFE: The hon. member for Windsor-Walkerville (Mr. Riggs) has very properly raised the question of the resolution passed by the city council of the city of Windsor. I notice that the Attorney General has not had the courage to refer to that resolution nor has any member of the Administration which is responsible for these grants and responsible for any inequalities there may be under this system of grants.

I did not make the new grants; I did not make the old ones. But the Attorney General has his share of responsibility for making the new grants, and if he thinks he is going to make me quit by making that kind of speech he is sadly mistaken, particularly in view of the fact that all his party as well as ours was committed to the principle that there should be equality of educational opportunity for the children of this province. And no amount of legalistic evasion is going to save the Attorney General from answering for his responsibility in connection with that promise.

MR. BLACKWELL: There will be no legalistic evasion on the part of the Attorney General of this province or by any member of this Administration. I was frank enough to make the statement to this House that the Government of this province, in the interests of both the separate and the public school supporter, was not prepared to take the responsibility for altering the legal basis of these grants.

What we want from the Leader of the Opposition is a frank answer. Is he prepared to take that responsibility?

MR. JOLLIFFE: I will make this answer. Point 10

of the Progressive Conservative program of 1943, which so far as I am aware has never been repudiated by the Attorney General, reads as follows:

> "To give every child an education to the full extent of its mental capacity, together with vocational instruction for farm or city life."

And the note on Point 10 reads as follows:

> "Our educational system will be completely revised so that every child in this province will have an opportunity to be educated to the full extent of their mental capacity, no matter where they live or what the financial circumstances of their parents may be. Vocational training will be made a much more important part of the school work, so that children may be prepared to earn a living by practical vocational instruction. The important place of our teachers in each community will be fully recognized."

I agree with that principle enunciated in that pledge of the Progressive Conservative party, and if ever I should be called upon to lead a government in this province, one of my first interests will be, no matter what may be the legalistic objections advanced by the Attorney General or anybody else, to make it possible for every child in this province, whatever the position or religion of the parents may be, to achieve equality of educational opportunity.

MR. BLACKWELL: That is very pretty.

AN HON. MEMBER: It's your point.

MR. BLACKWELL: I know you are not going to like hearing this but you are going to hear it.

MR. MacLEOD: It is just a build-up for the election.

MR. BLACKWELL: That was very pretty reading, and lovely sentiments expressed by the Leader of the Opposition, but the fact remains, nevertheless, that the

Leader of the Opposition has introduced into the debate in this Legislature the inference that if he headed the government in this province there would have been some different disposition with respect to the public and separate schools in the city of Toronto. He was asked the plain and simple question whether or not if he had the responsibility would he be prepared to alter the legal basis of the two schools. I am satisfied that if we wait here till eleven o'clock he will still be evading answering that simple question.

AN HON. MEMBER: That has nothing to do with it.

MR. BLACKWELL: I cannot compel him to answer but he is afraid to answer.

MR. DUFF: I think it is time, Mr. Chairman, that we had a little order. This is getting to be a free-for-all.

MR. ALLES: I rise to a point of order, Mr. Chairman. The Minister of Municipal Affairs (Mr. Dunbar) has stated to-night that the Government had received no communication from the Windsor separate school board. I have here a copy of a letter which I should like to read to the House as it indicates that copies were sent to the Government, and if the Minister has not seen it I can pass a copy over to him. The letter is dated Windsor, February 3, 1945, addressed to myself, and reads as follows:

"Dear Mr. Alles --"

MR. DUNBAR: Just a minute. I will not stand for that. I said that I did not receive any such letter. This letter was addressed to the hon. member himself.

MR. ALLES: The letter reads:

"Dear Mr. Alles,

"At the meeting of the Windsor Unit of the Ontario English Catholic Teachers' Association held in St. Mary's Academy,

Windsor, Ontario, Saturday, January 27, 1945, the following resolution was presented by Miss Marion O'Donnell, seconded by Miss Margaret Roche, and carried without dissent:

"'Whereas the grants recently announced by the Minister of Education for Separate Schools in cities of 100,000 or more, are insufficient to enable separate school boards in those municipalities to increase the salary schedules of the teachers, to bring them on a par with teachers in the Public Schools, and whereas the separate school teachers in the city of Windsor feel that they are entitled to the same salary as their associates in the Public Schools, therefore, be it resolved that the grants to the separate school board in the city of Windsor be increased to enable the board to pay salaries to the separate school teachers on the same basis as the public school teachers in the city of Windsor. This resolution to be sent to the Minister of Education, to the Provincial Secretary of the OECTA, to the Provincial Secretary of the OTE, to the Proincial Secretary of the AEF, to the Provincial Members of Parliament for the four ridings in Essex County, and to the Secretary of the separate school board of the city of Windsor.'"

Then it goes on to say:

"May we request that you give this resolution your serious consideration and that you take measures to remedy the conditions therein mentioned?"

I will pass this over to the Minister for his perusal.

MR. DUNBAR: That is not addressed to me.

MR. ROBINSON (Waterloo South): Mr. Chairman, all this heated discussion has arisen out of a point which the Leader of the Opposition raised and which has not been adequately answered by the Government, namely that these grants being figured on a percentage basis of the approved cost for education in a municipality in the preceding year, the graht is greater in the case, for instance, of Forest Hill Village which had more money to spend and less in the

case of those municipalities which had little money to spend on education. The argument is unanswerable that this system of grants only increases the disparity, and the poor get less and the rich get more.

It is for the Government to suggest to us a means of getting over that difficulty. It is not for us to show the Government how to do it.

MR. FROST: The Opposition always has the responsibility of offering constructive suggestions.

MR. MacLEOD: Mr. Chairman, I would like to put a question to the Provincial Secretary. He stated to us a little while ago that the city council of Windsor were the best vote catchers three hundred and sixty-five days in the year that he knew of. Is that right?

MR. DUNBAR: Yes.

MR. MacLEOD: Has the Provincial Secretary overlooked the fact that the man who heads that council, the mayor of the city of Windsor, ran as a Progressive Conservative candidate in the last election and did not get enough votes to be elected?

MR. MILLARD: I was going to refer to the same clause in the 22 Points to which the Leader of the Opposition has referred, but now I should like to introduce another point which so far has not been discussed in this debate.

I think the Government has overlooked something, and that is that when the province undertakes to spend for education the moneys of the province, they are actually spending the money raised by all the citizens of the province regardless of whether they are separate school supporters or public school supporters.

If a man buys a bottle of beer on which revenue accrues to the province the province does not require to

know whether he is a Roman Catholic or a Protestant, a public or separate school supporter. But here a different element enters because the Government is now assuming greater responsibility for educational costs.

There was no indication when the pledge contained in clause 10 was made that there was going to be discrimination against any pupil, regardless of the religious denomination of their parents. Clearly the intention was, if the pledge was sincerely made, and I believe it was, at least for the purposes of being elected -- the intention was to treat everybody on the same basis, to give every child equal educational opportunity.

Let me refer to the way in which this works out. If the approved cost last year was $90 and you give thirty per cent in a certain municipality, then according to my calculations you would be paying $27 per pupil in that case. If the approved cost was $45 in the case of a separate school, you would pay the thirty per cent, or $13.50 per pupil, or exactly half, because you are paying the percentage onhalf the approved cost in the one case just as in the other.

Now, if the thirty per cent is passed on to the taxpayer it is clear that the one school board will receive only thirty per cent of their particular assessment as opposed to the other, which will result in a great difference between the assistance granted to the different boards.

I would like the Government to give greater consideration to the fact that they are spending public funds raised by all the citizens of the province, both separate school and public school supporters, and from that angle the grants are not being distributed fairly.

MR. FROST: May I say this in reply to what my hon. friend has said. If he had sat in on some of the long night sessions that we had in going over this whole complicated problem he would have come to the conclusion that to attempt to deal with this problem on a per pupil basis would have been out of the question.

Here is the difficulty. In the province of Ontario we have over six thousand school boards and nine hundred municipalities, all with different types of assessment, all assessed on a different basis. The yardsticks are different and the result is that we have a multitude of differences.

When you get down to the rural areas you will find perhaps fifteen school boards all with different costs and different rates and differing mill rates in that area.

I can only say to my hon. friend that it has been an immensely complicated matter, and I think if he would get down to studying the regulations and look at the problem in an objective way, he would come to the conclusion that this is the only plan under present conditions that is workable.

I want to say something about the separate school issue which has been raised here. I do not think it is really an issue. I think we ought to be quiet and calm over this thing. The situation is this. The separate school matter is highly controversial, and I say frankly to the members of this House that you won't get anywhere in Ontario by throwing this issue into the political arena. This controversy goes all the way back in our history to 1863, four years before the time of confederation.

MR. JOLLIFFE: This is a new grants system.

MR. FROST: At the time of confederation the

separate school system came into Ontario under the agreement of 1863. That agreement waw confirmed at the time of confederation, when the separate school supporters were given certain rights as regards real estate taxes and as regards grants.

I think everybody knows that down through the years this has always been a highly controversial issue. There have been attempts to deal with it. My hon. friend from Brant (Mr. Nixon) will remember that his desk mate (Mr. Hepburn) when he was premier of this province attempted to deal with this question by introducing legislation which he afterwards described as clumsy and unworkable and he withdrew it, saying that if they persisted with that type of legislation there would be blood shed in the province of Ontario. This is a very difficult problem.

Let me point out this with respect to the city of Windsor. The grants for both public and separate schools are identical. They are on the same basis of thirty per cent. What is the effect? In the city of Windsor we have given to the separate schools $31,000 and under these grants, $92,000. Under this system they are treated exactly like the public schools. I have not seen Catholics and Protestants walking down different sides of the same street over this matter. Everybody seems to be happy and pleased over it. In my own home town of Lindsay the grants mean a reduction of 7 mills on the dollar and the citizens can feel that for every $1,000 of assessment they have $7 saved in their pockets. That pleases both Catholics and Protestants. It is justice. It is dealing in a decent way with an exceedingly difficult problem.

In the city of Ottawa they received $53,000 in grants, much of them assisted grants. Under this new arrangement they get thirty per cent of the costs, or $135,000. That is reasonable and substantial justice and in accordance with the terms of the British North America Act, which is our constitution.

In the city of Ottawa it is true that the public schools in that city get thirty per cent. They get $296,000, which is based on exactly thirty per cent of their costs. So there is no discrimination right across the board.

I would say to the hon. member for York West it is true that there are many school sections which have spent less and will receive smaller grants as a result. These cases are legion right across the province of Ontario, but that situation will correct itself.

Take the village of Amenia. It is a poor school district, where they have never been able out of their municipal taxation to provide improvements, but they have a low tax rate and a low charge against real estate. Under this plan they will get sixty per cent of their costs for every $100 they spend, and they are figuring now on having in the village, which has a population of one thousand, the best kind of school system they can have.

It will take time to level things up but in the long run you will find that there will be a very much improved school system in Ontario in the course of a comparatively few years.

MR. HANCOCK: I was amazed at the statements of the Attorney General and the Provincial Treasurer in dealing with this subject. We are concerned with ordinary

justice and in seeing that teachers, even Catholics, get the same salaries as Protestant teachers, and that the Catholic pupils get the same amount of money spent on their education as Protestant pupils.

MR. FROST: If a teacher's salary in some school section is raised to $1,500 a year, and the percentage is fifty per cent, we will pay $750 of that regardless.

MR. HANCOCK: Then you are leaving it entirely to the municipality.

MR. FROST: To the school boards, yes. They have charge of the schools and we are not interfering with their authority.

MR. HANCOCK: You are not going to make this grant on the basis of the children in the school?

MR. FROST: No, on the basis of costs.

MR. CONNOR: A school that is free of all debt will naturally have lower costs, and will they be penalized under this system for that?

MR. FROST: If they build a new school they will get their percentage.

(Page 1307 follows)

MR. CONNOR: I won't sit down unless I am ready and you cannot make me sit down or the Minister of Health, for the reason I just want to say this - that if a man wants to make an insulting remark, he should have the courage to stand on his feet and make it.

THE CHAIRMAN: You are talking to 198.

MR. CONNOR: I am talking to the Minister of Health, and if he has not courage enough to stand up and make it he should.

MR. ROY DOWNIE (Lambton East): I would like to ask the Provincial Treasurer a question. When he states that this $8,8000,000 is 34 per cent of the grant what figures does he base the cost on. - 1943 or 1944 -.

MR. FROST: I should say the cost is based upon the best estimate we can make of the 1944 expenses. Now, let me give the House this figure. Of course, the last cost we have, that we are certain of, are 1943 costs, but it has been estimated that the teachers' salaries in the year 1944 as a result of the policies of this enlightened government have been increased by 12 per cent across the board in 1944 and I still see the increasing is going on and it is giving substantial justice to our teachers, and when our teachers talk about new day, I think there is ground for their faith. I should think it is accurate to .04 or something like that.

MR. JOLLIFFE: I suppose we can take it, it would be a safe assumption, that the total amount spend on education in 1944 was larger than in 1943.?

MR. FROST: Yes. We estimate the teachers' salary was increased by 12 per cent.

MR. JOLLIFFE: We are very pleased to hear that but I think possibly war conditions may have had something to do as well as the enlightenment of the Government.

Vote agreed to

The House resumes, Mr. Speaker in the chair.

THE CHAIRMAN: I wish to report resolution of Committee on Supplies.

THE SPEAKER: Mr. Reynolds from the Committee on Supplies moves the report be adopted.

Motion agreed to.

CLERK OF THE HOUSE: House in concurrence in Committee on Supplies, Mr. Speaker, resolved that there be granted to His Majesty for the Service of the Province for the year ending March 31st. 1945, the following sum vote No.198, Department of Education, $8,808,000.

Item agreed to.

MR. DREW: Order No.32.

CLERK OF THE HOUSE: 32 Order - Resuming the Adjourned Debate on the amendment to the amendment to the motion for the consideration of the Speech of the Honourable Lieutenant Governor at the opening of the Session.

MR. A.KELSO ROBERTS (St. Patrick): I would like Mr. Speaker, just at the very outset of my remarks to pay tribute to some of the addresses which have already taken place in connection with this debate. Particularly I refer to the very excellent address of the Prime Minister, at any rate at times with certain interruptions, which I am glad to say did not emanate for the most part from the official opposition. I would like just in that connection to say in my opinion the official opposition has carried on during this session in accordance with the tradition and functions of an opposition in a legislature such as this. I cannot, however, say the same thing of one or two of the members of this House.

I also wish to extend my congratulations to the Hon. the Provincial Treasurer (Mr. Frost) for the very excellent address which he delivered and to some of the other addresses

which preceded this.

I am going to make later some remarks concerning one speaker who immediately preceded me and at that time I will pay tribute to him also.

Most of the Members of this House were first elected to it at the last general election in the Province of Ontario. Most of these newly-elected members stood for election in the hope that they would succeed and would thus be able to take part in the governing of this province during a most important period in its history. I believe we all hoped, then, to be able to contribute, in however small a part, to the solutions of very pressing problems both of war and of the peace to follow.

At the last Session of this Parliament, being its first Session, there was in evidence a real desire to co-operate in progressive legislation. There was, however, one Party in this House whose whole representation, with one exception, consisted of men who had been members of a Government which had become discredited in the eyes of the people and which received a most impressive defeat at the polls in August 1943.

I regret that the hon. member for Elgin (Mr. Hepburn) is not in the House to-night. Of course, it is not possible for any member to select his time to speak to suit the convenience of the presence of any other particular member. What I have to say to-night in regard to the hon. member for Elgin (Mr. Hepburn) I would very much prefer to say with him sitting in his seat, and I would be quite prepared to stand for what I have to say in his presence. Probably I am not speaking again in this House that I know of on any matter of consequence and therefore I feel obliged to proceed with what I have to say, even though the hon. member from Elgin is not

present.

The man most responsible for the actions of that Government, foreseeing its doom and not wishing to take the rap, somewhat dexterously cleared out, for the moment, of the official Liberal camp and permitted his good friend Friday -who, like Barkus, was willing to take the rap.

Now, just let us see what the position of the member for Elgin (Mr. Hepburn) was just two years ago at the time that he resigned. I refer to his resignation statement released on October 22nd, 1942:

> " Tonight I resigned as Premier of Ontario "and recommended to His Honor Lieutenant-"Governor Matthews that Attorney-General "Conant be called upon to form an Adminis-"tration and carry on the business of the "Province. It has not been my desire "to seek a third term of office."

And then he says, interviewed by the paper most friendly disposed to him at the time, The Toronto Star, and here is what he said at that time:

> " It is a great obligation to stay in public "life forever,' Ontario's ex-premier added. I "have had over 16 years of public life. That's "a good span out of anyone's life. Just re-"member that I was elected to the federal "government in the summer of 1926, and was "elected Liberal leader in Ontario the 18th "of December, 1930. I have been premier in "Ontario since 1934, and I don't expect to "miss it all now I am out of it."

He was asked whether his health was good and he said

> "Excellent . . . again I tell you that I "have always said I wouldn't seek a third term "in office."
> " You can tell the public that I am very "glad indeed to get back to private life. I am "going to retire to my farm and enjoy my family. "They have been asking me for some time now when "I was going to stay home like other daddies. "Now I intend to do so.

Then in addition following that in the Telegram of October 22nd announcing that Mr. Nixon had quit 18 hours after Mitchell Hepburn's resignation and his gift of the premier-

"ship's mantle to Attorney-General Gordon Conant,
"another bombshell was tossed into provincial
" cabinet ranks at Queen's Park today when Hon.
"Harry Nixon, provincial secretary, announced
"his resignation.
" Mr. Nixon's resignation was released at
"noon in the form of a letter to Premier Conant
"in which Mr. Nixon voiced disapproval of the way
"in which the leadership had been 'casually"
"changed without consulting confreres or the
"public.

And the hon. member for Elgin (Mr. Hepburn) has a new refrain in this house day after day, night after night, that he is attacking Tory reactionaryism and he himself puts on his mantle in a form that does not look to me like Liberal reform. However, it has been said that he had a Chameleon character and I find that that particular kind of insect or like creature for a long time was regarded by scientists as existing wholly and solely on wind and I was almost going to say that the hon. member for Elgin (Mr. Hepburn) has not fired anything but wind in this house but I would probably be trifling with the truth if I were to say that because my memory goes back then to 1934, when a great line of men and women--many of them returned soldiers of the last great war--left this building because of his whim and because of the action he took at that time of firing them.

Now, Mr. Speaker, a short time ago the erstwhile Independent Liberal Member for Elgin,(Mr. Hepburn) came back into the Liberal fold, and even got into bed with the Federal Liberal leader, who is adept at making guinea pigs of the Provincial Liberal Leaders when it suits his purpose.

Finding the storm signals very definitely out so far as the Liberal Party is concerned, the Prime Minister of Canada, in a radio address on the 2nd of March last, made it clear that he is sparring for time and during that period he may find it highly suitable to his purposes to do a little more laboratory experimenting.

(page 1317 follows)

This may be rendered the easier by reason of the recent offering of himself in so suppliant a manner by the hon. member for Elgin (Mr. Hepburn) at the feet of the Canadian Prime Minister.

Last year the hon. Liberal members sat some on my right, on this side of the House, and some opposite, across there, and scattered in that manner, they appeared to be quite a congenial and cooperative group of men. Now we see them all gathered together under new House leadership, under the hon. member for Elgin, constituting — and I say this with no more malice than did the hon. member for Elgin a few years ago about a certain group in the Conservative Party, - I say we see them sitting there, the whole of and the only "old gang" of this Parliament . There they are. They are the ones who started deliberately ganging up against this Government, aided and abetted by their all too anxious accomplice, the hon. member for Bellwoods.

Last year, under the leadership of the hon. member for Brant (Mr. Nixon), the Liberals behaved admirably, but when they decide to ride behind their new master of the hunt no one can tell whether they are going to ride with the hounds or run with the hare.

When the hon. member for Elgin (Mr. Hepburn) was chosen House Leader a few months ago, the announcement was received rather sceptically by the Press of this province. One well-known newspaper, which, in years gone by, was not always unfriendly to the hon. member, commented in an editorial, something like this. The editorial was headed "The Political Revival of Mitchell F. Hepburn."

The first two sentences ran along these lines, something like this:

"It took Mitchell F. Hepburn ten years in the Premiership of the Province of Ontario to almost destroy the Liberal Party in this province. Now the elected Liberal members of the Legislature have seen fit go give him the tools to finish the job."

I make no comment on the accuracy of this statement, but I do draw the attention of the hon. members to the fact that the hon. member for Elgin is now going about the country making humble apologies for this and that, here and there and elsewhere, for his actsin the past, the latest for making a personal attack on the Prime Minister of Canada. If he proposes publicly to confess all his faults in this regard, we can expect a good many months to be taken up before he will be able to get around to the lesser ones.

I want to turn to the subject that I am more concerned with, as are the hon. members of this House, problems which we have referred to in the Debate on the Speech from the Throne. I hope in my remarks I will not be too lengthy. I will try to keep to the issues with which we are concerned in this House. I want to say a word in connection with Family Allowances.

It is well-known to the gentleman opposite that the hon. members on this side of the House are as greatly concerned for the welfare of the children of this province as any of them. The principle of Family Allowances has been recommended in the Beveridge Report and in other outstanding social research reports. We subscribe to the principles. The methods of carrying out a project of this sort are deserving of careful study and attention.

Norwithstanding the importance of the subject, it was introduced into the House of Commons for second reading on Tuesday, the 25th of July, 1944, and with the great majority and steamroller methods available to the Government, was

very speedily enacted. An amendment was introduced by the Leader of the Progressive Conservative Opposition in the early stages, in the following words: - I want to draw the attention of the House to this amendment, because I do not think it has been grasped by the hon. members, or even by the public. It was a very good amendment, because it would have saved a great deal of the difficulties which are now apparent, and which the Members in the Cabinet of the Prime Minister of Canada are now recognizing to be very definitely difficult problems.

The amendment was:

> "That all the words after the word 'that' in the said motion be struck out and the following substituted therefor:
>
> "In the opinion of this House it is desirable that the standard of family life among the masses of the people in Canada be raised,
>
> "but in view of the fact that Bill 161 is not within the constitutional competence of the Dominion Parliament, that it be not now read a second time, but that it be referred to the Special Committee on social security with instructions that the bill be studied and re-drafted after consultation, collaboration and in co-operation with the provinces as a joint undertaking and introduced before this House prorogues. Such re-drafted bill shall contain specific details as to the administrative machinery, forms and procedure under which the bill will be administered and shall provide that any contributions to be made under the terms of the said bill by the Dominion to a province shall be conditional on the Federal Minister of Labour...."

I am sure this will be of interest to the hon. Leader of the Opposition (Mr. Jolliffe):

> "... certifying that the standard of wages in that province is not lower than the average standards of wages for similar work in the other provinces."

But this amendment was ruled out of order by the Speaker, whose ruling was appealed, and on a division the ruling was sustained and was not proceeded with further.

There is plenty of room for discussion on many features of this reform between the provinces and the Dominion. The Quebec Legislature has recently passed a Family Allowances Act. I wish to quote here two parts of this bill, which is a short bill, to illustrate the attitude taken by the Legislature. First I quote one of the preambles to the enactment:

> "WHEREAS it is desirable to establish a system of family allowances in co-operation with the Federal authorities and without impairing the constitutional rights of the province.
>
> "1. The Lieutenant Governor in Council is authorized to make with the Federal Government any agreement he deems appropriate, efficacious and just for the adoption of a system of family allowances in conformity with the interests and the constitutional rights of the province."

Let me also give but one of a number of Western newspaper comments. I will quote now from the "Winnipeg Free Press," which is known to be an outstanding Liberal organ in Western Canada. I quote from an editorial published last August and dealing with the radio address of the Premier of Ontario of last August.

> "Obviously he (Premier Drew) is quite right in calling for a Dominion Provincial conference, although this might function better after a general election when there was a Government with a fresh mandate in power in Ottawa. Meanwhile it is only fair that extremely controversial legislation which might be affected by such a gathering should not go into effect until it is held."

That, Mr. Speaker, is from the "Winnipeg Free Press."

A good deal of the barnstorming both before and after the opening of this Legislature was carried on by the Labour Progressive front. I remind the House, as the hon. member for St. David (Mr. Dennison) has already done, that a year ago the two Labour Progressive members in this House were making a good deal of the advisability

of co-operating, going even to the extent, at times, of endeavouring to ingratitate themselves with the Government.

MR. JOSEPH B. SALSBERG (St. Andrew): That was never done.

MR. ROBERTS: I do not think we could misinterpret your actions.

Finding little glory, reflected or otherwise, here they shifted around, and they made overtures to hon. gentlemen opposite representing the official Opposition in this House. They did not get much farther there. Then it was, when there was nowhere else to turn, that they turned to, and found, their fairy godmother.

The Labour Progressive members of this House have deliberately put themselves on the acution block and have sold themselves to the highest bidder.

MR. WILLIAM DENNISON (St. David): No longer virgins.

MR. JOSEPH B. SALSBERG (ST. Andrew): I rise on a point of order. Even though I am only a relatively new member in the House, I would suggest this is an unparliamentary expression. It is, of course, wholly untrue. It is casting a slur at a Party and hon. members of this House. It is totally unwarranted fabrication from the beginning to the end, and an insult, and I think the hon. member should be asked to withdraw those remarks.

MR. SPEAKER: You are out of order. I think the hon. member should continue. You have had quite a recess, and it is a little late to start checking up on each other now.

MR. SALSBERG: That is not the way to deal with a point of order.

MR. SPEAKER: I gave my ruling.

MR. SALSBERG: You did not give a ruling. The record will show that.

MR. ROBERTS: We certainly can conclude nothing else, because if we give to the hon. members even a minimum of credit for common sense, we realize that they themselves must know, that they are attaching themselves to a sinking ship and that for some considerable period of time the Liberal Party in this province and country will be a force of minor importance. However, they have chosen and there they are, for the moment, at least. It will be interesting to see which one of the two conspiring groups rids itself of the other first.

I want to say a few words, and I think the hon. member for St. David will agree with what I say in the next few remarks, in which I refer to the good will of Ontario and Quebec.

(Page No. 1323 follows.)

I am referring now to good-will between the Provinces of Ontario and Quebec. Mr. Speaker, shortly before this House assembled, I visited the old City of Quebec. I was particularly interested in this visit because, within the last six months, I have enjoyed some research and study concerning the life and career of one who was indeed a great Frenchman and a great explorer, Robert Rene Sieur De LaSalle. His conquests and discoveries were made during the time of Count Frontenac, after whom the famous hotel, the Chateau Frontenac is named; and, during the time the famous French bishop, Laval lived in Quebec.

As the Hon. member for Kingston (Dr. Stewart) well knows, this great explorer had a great deal to do with the building of the first fort there. I found in the names of streets and localities in Quebec names which were well known in the days of Frontenac, Laval and LaSalle. For this continent, the French civilization is indeed an old civilization. In the archives in the Court House Building I saw an original of one of the first marriage contracts made in the colony of New France. It was dated in 1639. Another one, dated 1644 (more than three hundred years ago) constituted the marriage contract made between the daughter of the first soldier settler, who came out with Champlain and her husband. From those early beginnings came a very considerable portion of our whole population. Whether we like it or not the fact cannot be disregarded.

Personally, I believe that many of the prejudices, problems, and apparently sharp divergence of viewpoint are due to lack of or to only partial understanding of our ywo great races. I am convinced that it is not necessary

to gain election in the City of Toronto or in other parts of what may be termed English Canada, for the purpose of illustration to abuse the people of French origin. And yet, we all know, that politicians on both sides play the prejudices to the limit in some parts of both provinces. Whatever good they themselves may derive from such action, they bring tenfold evil and loss upon many others.

No, Mr. Speaker, if this country is to continue as one Dominion extending from sea to sea, the way to advance the unity of the country does not lie in that direction. The director of Laval University, Mgr.Cyrille Gagnon, has said recently:

> "C'est per L'elite que se fera l'unisi Nationale au Canada."

A free translation of this is, "It is to the better educated in Canada that national unity will be established."

I would like to direct the attention of the House to a movement, small in itself, but which I think, has real possibilities towards the creation of better relationships between the peoples of our two provinces. It is an organization known as Visites Interprovinciales. It was organized by Mr. J. H. Biggar, a well known school master in this city; and associated with him are men of good will in both provinces. Two private subscription he has developed this organization to appoint where a quite a large number of young people, from both provinces, exchange for their summer holidays or for a period in the summer time. A young girl of eighteen years of age, fèr example, living in Quebec City, of good family, through this organization may come to Toronto and have her holidays with a family here in Toronto who have children of about the same age. Great care is taken in selection in order to ensure that everything will run as

smoothly as possible. Boys and girls from our Province are placed in the same manner in the Province of Quebec. Obviously, this can only be handled in a relatively small way by a voluntary organization such as I have mentioned. I have seen it operate for a sufficient length of time to be convinced that it will be in the very best interest of both our provinces if the governments of both, together with outside interests, will develop this assocation into something of real size and importance. Were we able to exchange not a matter of a hundred or so, but several thousands of these young people, yearly, there would be a perceptible change for the better in the relationship due chiefly to mutual understanding, which can only be gained during those receptive years.

I earnestly request, Mr. Speaker, the Members of this House, and particularly the Prime Minister and the Treasurer, to take the matter into consideration and to work with the authorities of the neighbouring province and with Mr. Biggar and his association, to develop this movement for better understanding between French and English speaking Canadians.

Now, Mr. Speaker, I want to turn to the subject of the Mining Industry, a subject which, I think, is deserving of very considerable publicity; and I only hope that I may be able to contribute something to its advancement in what I may be able to say here tonight.

Notwithstanding the tempo of the war in Europe and in the Pacific, for some months now, there has been a continuous and ever-increasing revival in mining and mining speculation. The regulations formulated by the Controller of Metals and as a government policy, have been such as to prevent any large amount of money, or of material or labour

being expended in actual underground development of prospect mines. Diamond drilling, however, has been permitted to continue, and a great deal of the interest has arisen as a result of this particular type of exploratory work. A few sensational finds and drilling results have provided the necessary interest to the movement. We need people in the mining industry who are prepared to take chances. I do not think anyone who cannot afford to lose should risk any capital in mining ventures. I firmly believe that those who do risk should be entitled to adequate returns, or, to use a more readily understood phrase, should be entitled, where they do win, to long odds. In any boom period, such as has been proceeding in certain types of mining of late, evils are bound to creep in. If it is made easy for evils of this sort to flourish, they will expand like mushrooms. Personally, I have no use whatever for certain types of racketeering, stock market manipulations relating to mining, and for that reason I do hope the legislation which the Attorney General has introduced by way of the Securities Act will be an improvement upon previous legislation and will curb the evil without damaging the good.

Very few of us in this House really appreciate, or even know, how much hard work the Attorney General has done and how patient he has been in hearing views from many and diverse interests in working out this legislation. I commend him for his patience and for the exhaustiveness of a search for a cure of which he has made. In my view, however, a great deal will depend on how well or how poorly the Act and the Regulations under it are administered, and how free of, or how mixed-up with politics, that administration becomes. I know that the Attorney General has the right idea and I hope he will follow through in the same thorough manner

in which he has prepared this legislation.

The Speech from the Throne has indicated a decline in mining production in this Province, -- serious in the case of gold, and considerable in the case of other metals.

I have mentioned that there has been a boom in mining generally. I wish to draw attention of the House, however, to the fact that a great deal of the interest creating this boom is centred on properties located outside the Province of Ontario. Great hopes and aspirations are accumulating with respect to many claims in north-western Quebec, some of which, but a few months ago, were regarded as not much more than moose pastures, as the Attorney General put it, although, from spending sometime in Moose hunting in Quebec I found it very hard to find the moose. The reason for this is that some very important discoveries had been made. These may mean producing mines of some real importance.

In the North West Territories, due to some phenomenal development in certain areas, the boom has become one of great proportions. For the moment, at least, Ontario itself seems to have been eclipsed in the popularity in this respect. However, I know enough about this business to realize that that in itself is not too serious. There are, however, some facts which I wish to draw to the attention of this House, which, I think, have a direct bearing on the future development of mining in this Province.

For several years prior to this war, Ontario lead all the other Provinces combined in gold production, and accounted for almost three-fifths in value of the total non-ferrous mineral production of Canada. The older heads, however, have been warning us for sometime that there is a steady

decline going on in the reserves of minerals, that the older mines are gradually petering out or depleting their reserves; and that we are not discovering and developing a corresponding number of new properties to take their places in this Province. Some people even go so far as to suggest that mining has been allowed to lie fallow, so far as new developments are concerned in this Province, for some years. And, looking ahead and realizing what is expected of this industry, towards a solution of the post-war problem, I feel that we should examine this situation very carefully.

I find that in the Province of British Columbia where a good deal of interest is being taken in new developments, the mineral production, in dollars, during the last ten years, has run between a fifth and a third in value of that of Ontario's production, and, for the most part, has been roughly one quarter of Ontario's production during that period.

It may interest the House to know that the pete value of Ontario's production was in the year 1942-43, when it reached almost two hundred and seventy million dollars. While the peak value in British Columbia was in 1937, when it reached almost sixty-three millions of dollars.

In the northwest Territories, radium and silver have been produced for some years, but it is only within the last eight or ten years that gold production has amounted to anything there. The war has seriously affected gold production in the territories but the defensive and offensive measures taken by the United States Government in conjunction with our own Governmnnt since the United and Japan entered the war, will have a very pronounced effect on the future development there, and will greatly speed up these developments.

I find that the Department of Natural Resources has been outlaying large sums of money with a view to the development of the territories, the actual outlays being greatly in excess of those of the Mines Department of this Province yearly for the last ten years. During that period the Department of Natural Resources of Saskatchewan spent annually far greater amounts than our Mines Department, between five and six hundred thousand dollars in each year, since 1935, in Saskatchewan.

In Quebec, the development has been expanding very noticeably, and the Department of Mines has been spending considerable sums of money in road building, and in other ways, to encourage the opening up of Northwestern Quebec. I find that over the last ten years period a total of six and one quarter million dollars was spent by the Quebec Department of Mines, or on an average of something more than six hundred thousand dollars annually, -- pretty nearly twice our average in this Province.

British Columbia, I find, has been spending relatively twice as much on its Department of Mines as we have been spending in this Province. That Province has been active in encouraging new developments and in laying the foundations for future harvests in the mining fields.

It is clear from the analyses which I have made as to the expenditures of the several Provincial Departments of Mines and the Department relating to the Northwest Territories, that Ontario has been lagging very substantially; during the last ten years Ontario's Department of Mines has received grants which represented somewhere between one fifth and one seventh of one per cent of the total value of the Province's minimum production, whereas, in the other Provinces I have mentioned the percentages have been much

higher. The average in British Columbia, to take but one Province, running from one half of one per cent to seven tenths of one per cent of that Province's production. In other words, some of the other Provincial Departments of Mines have been spending relatively twice as much as we in this Province have been spending on their mining activities.

It seems to me, Mr. Speaker, that if the mining industry of Ontario is to develop and give the volume of employment and other post-war benefits expected of it, more intense and active work on the part of the Department of Mines, in the whole field of mining in this Province, will be necessary. This can only be done by granting larger amounts to the Department and by a much expanded program. The Provincial Treasurer has recommended for this current year a better allocation. In view of the falling off of interests and the relative paucity in new discoveries of recent years in this Province, an extra effort should be made in this direction, unless this Province is willing to lose its premier position in the mining industry of Canada over a period of years. I say, in all friendliness to the Honourable, the Minister of Mines, Take a look at yourself in the mirror and address yourself in your capacity as reflected there, of Provincial Treasurer, and say to yourself, "Loosen up, Mr. Provincial Treasurer, and give us double the grants I have been getting during the last ten years or my Department of Mines to get on with this advantageous and greatly needed expansion program.

The Ontario Mining Commission, Part III, paragraph 3, section 2, sub-section 3, says only one and eight tenths per cent of some four thousand four hundred and twenty-six organizations formed for precious metal mining were

sufficiently successful to make any return whatsoever to their shareholders. And I quote:

> "It has been shown that less than one per cent of these companies have been or will probably be economically successful in the sense that their capital cost will be returned and a fair interest paid."

If that is true, what do the Hon. members think of a policy toward mining such as the text book of the C.C.F. Opposition lays down. I want to quote at Page 175 of "Make this your Canada:"

> "The Mining industry and our vast mineral resources likewise require a radically new approach. The C. C.F. government will not, as our present governments do, pay for geological exploration and surveying and build railways just so that Standard Oil, the Aluminum Company of Canada or the C.P.R. - owned Smelters outfit can reap the rich rewards. C. C. F. government agencies will explore, discover, and themselves develop the mines and will bring back those alienated from the public domain.

As the Prospectors' Association about that? Ask the tax payer? If his money is going to be gambled away on one in one hundred shots, surely he would prefer to make his own choice than leave it to "C.C.F. Government agencies".

A year ago I stated clearly my position with respect to mining. At that time I said I hoped that the Hon. Members of the Official Opposition opposite from Northern Ontario, would state their positions. At the time some cries of "We will" were heard, but nothing more concrete has been heard since that time until, as more or less of an aside, the Hon. member for Cochrane South (Mr. Grummett) suggested nationalizing the mining industry instead of passing the difficult-to-settle Securities Act.

I repeat the question again now. Where do Honourable Members opposite stand on prospecting, exploring and developing the mineral resources in this Province.

Mr. Speaker, the Hon. member for York West (Mr. Millard) having had a very interesting trip, gave a very interesting address last night. I regret that I was not able to be present for all of it; but I congratulate him on the generally interesting and entertaining address which he made to the House last night.

(Page 1333 follows)

He ran into difficulties occasionally. I notice in the morning press report of his speech that earlier in his remarks he made an attack on the national leader of the Progressive Conservative party. I shall not quote his remarks because I was not present. He referred to himself as having interviewed personally about four thousand of our boys who were called up and sent overseas under the recent order in council. I heartily agree with him when he says that these four thousand were all splendid men ready to fight for their country. I would expect that of them. But I must say that if he wanted to be entirely fair he might have referred to the fact that in that number who were called up with these lads whom he saw overseas there were six thousand or more of the same army group hiding somewhere in our woods or at all events AWOL. I do not suppose that he interviewed any of them. I do not cast any reflection upon any of them personally. But I do say that the leader of the Progressive Conservative Opposition in the Dominion field never said anything truer when he condemned fully and without reservation that whole two-army set-up that was the creation of the King government at Ottawa.

MR. MILLARD: Just to keep the record straight the hon. member has said that he was not present and did not hear exactly what I said but has taken my remarks from the press. I am not accountable for what the press said. I did not mention anybody. I said that a public man had made a statement which I considered was not in keeping with the best interests of our boys overseas. I did not say who it was. I did not mention any person.

MR. ROBERTS: If the hon. member did not intend

the leader, what I have said was entirely unnecessary.

An amendment to the motion adjourning the Speech of the Honourable the Lieutenant Governor has been moved by the Leader of the Opposition and an amendment to the amendment by the Liberal house leader.

Much can be said in debate concerning these amendments but I will content myself at this time with a few remarks concerning the attack of the Liberal Leader on the teaching of religious education in the schools of this province. Shortly after the amendment to the amendment was introduced, I received a number of telegrams urging me to vote for the amendment to the amendment on the question of religious education in the schools. Very few of the telegrams came from my own constituents and I am inclined to believe that some of them at least were inspired by machine politics at work. I have since received many letters and telephone calls urging me to support the Government's position.

I have, Mr. Speaker, examined the books and pamphlets which have been issued and authorized by the Department of Education for use in the primary schools in furtherance of the policy of the Minister of Education to improve the system of religious education in the schools of Ontario. I would draw the House's attention to the Teachers' Guides, which I have here, for the various grades in the primary schools. It will be noted that on the first page of all these booklets there appears in special italic type the following:

> "This Teachers' Guide in Religious Education is authorized by the Minister of Education for use in Grade I of the Ontario Public Schools. The book in its present form is to be regarded as provisional and experimental. . . . The Minister of Education desires that

> comments or criticisms of the book shall be sent from teachers and others who are making use of the guide. . . . Comments and reports should reach the Department of Education not later than 31st of May, 1945, in order that a revised edition of the guide may be prepared."

Surely nothing could be fairer than that in initiating a new system such as this. I quote again, this time from the volume relating to Grade II, at page 5:

> "In this volume intended for Grade II, the general aim is to develop the idea of God as the loving Father and of Jesus Christ as the loving Friend and Helper; and to put before the children ideals of loving kindness, goodness and beauty, leaving out all suggestions of fear and terror."

Many family children's Bible stories in short form applicable to the ages of the listening child, are to be found in the volumes for the various grades. Stories of the Old Testament characters are depicted as may have been told by the mother of Jesus to her Son during His early boyhood days. These are printed on pages 121 to 145 of the guide for Grade II.

There is also, and I say this with the deepest respect, a very child-like description of the prodigal son. It is possible that the hon. member for Elgin (Mr. Hepburn) took some umbrage at that, which accounts for his outlook.

I realize that I am dealing with a question which very few of us, if any, in this House, are really competent to discuss and certainly I do not wish to contribute to any controversy on this subject, but in all earnestness I do say to my hon. friends opposite and I particularly address my remarks to such men as the hon. member for Prescott (Mr. Belanger) whom I know to be a thorough gentleman and whom I believe to

be a God-fearing and devout Christian, to read these guides and then after having done so, say whether they can conscientiously condemn anything in the volumes as being in any way controversial with respect to the Christian religion. If they do that, I will respect their vote even though it may be in opposition to my own, but for myself, I wish to say emphatically that I can find nothing in any of these volumes which could possibly be interpreted as offensive to any good Christian, be he Protestant or Catholic, or to any good Jew, be he orthodox or unorthodox.

I have, in the riding of St. Patrick, some of the most outstanding churches in Toronto; such churches as St. Patrick's, Grace Church on the Hill, Timothy Eaton Memorial Church, Bloor Street United Church, the Church of the Redeemer and many others. I have, in the riding of St. Patrick, some of the oldest and best known Synagogues in the city of Toronto. No outstanding leader in the religious life of the community has condemned this course of action to me. On the contrary, I have received the assurances of many of the leaders in church life.

May I also draw the attention of the House to safeguards which have been inserted in this plan? These safeguards for the minority appear in the little printed book:

> "Regulation 13 of General Regulations -
>
> "(3)(a) No pupil shall be required to take part in any religious exercises or be subject to any instruction in Religious Education to which objection is raised by his parent or guardian.
>
> "(3)(c) If the parent or guardian objects to his child or ward taking part

> in religious exercises or being subject to instruction in Religious Education, but requests that he shall remain in the schoolroom during the time devoted to such education, the teacher shall permit him to do so provided he maintains decorous behaviour."

Surely these regulations and the substance of these guides protect against the very things which hon. gentlemen who have introduced the amendment are complaining of.

I wish to stress the fact which was far from indicated in the address of the Leader of the Liberal group when he attacked this policy -- that the material being used in our schools and the whole plan follows very closely the Cambridgeshire textbook on the same subject used generally throughout England. So far as I have been able to ascertain, there have been no serious objections to the plan as developed in England. We here are confident that the plan will work out well. Nobody asserts for a moment that it is perfect; some mistakes may have been made. If they have, they can be corrected.

Mr. Speaker, I am bound to say at this time that I support the policy of giving some instruction along the lines indicated in these guides to our children and I believe that such instruction will be beneficial to them throughout their lives.

I do not wish to take my seat to-day after speaking in this debate without referring, although very briefly, to our fighting forces overseas. They have done a great job since they were given the opportunity to get at grips with the enemy in Europe and their welfare, and that of their families, should be uppermost in our minds at all times both during our deliberations here and between sessions.

I commend the Prime Minister for the great interest he has shown in our service men and women and I am sure it will please him to know that very recently I received word from a young French Canadian who visited Ontario House on New Year's Day last. He wrote that he was delighted with the reception, delighted with the apples -- Ontario apples and other delicacies supplied to the troops on that occasion -- and gave the distinct impression that we were doing a good work there, with the added hope that soon his own province would be able to get suitable quarters to carry on similar work.

I conclude, Mr. Speaker, by seeking for out troops overseas the fullest support from our province and I join with all other members of this House in the hope for their early and safe return to a country and province which it is our duty to prepare to receive them adequately and sufficiently.

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MISS AGNES MACPHAIL (York East): Mr. Speaker, it is customary in beginning the debate by each speaker on this address, to congratulate the mover and seconder of the address in reply to the Speech from the Throne, and this I now most sincerely do. I think they have an unenviable task, and it must have pleased the Government, and pleased the records, and I think they did a very fine job at it. It is a job I would never like to undertake, even one I like much better than the present one.

There was just one sentence in the speech of the mover which arrested my attention, and to which I want to reply. I have here his words, although I did not look them up in the Journal, but I remembered them quite well at the time. We were talking over the stockyards situation, and he said:

> "The taking over of the stockyards gives the farmers of Ontario confidence."

I wondered why. I have no notion of making a speech on agriculture to-night, because I am expecting we will have a full-dress debate on agriculture when the Government tells us what part of the report of the Commission of Enquiries they intend to implement, at this or any other Session. So that I want to leave a speech on agriculture for that time. I will deal only with this, that the "taking over the stockyards has given the farmers of Ontario confidence." I wondered how he could think that. It may be that some farmers think that when the stockyards became the property of the province of Ontario, to be administered by a board set up by the Provincial Government, that the packing plants come with the stockyards. That might give them some confidence in the future, but that is not so. I think the beef

producers of this province ever took a worse beating by way of marketing their stock through the yards than they did last fall. There were thousands of head of cattle held in the stockyards day after day, and the amazing sum of six thousand was held over on one occasion. I verified that with a stockyards official, and it is correct. So I do not see anything to give the farmers confidence in that. Six thousand cattle in the stockyards with the farmers footing the bills, and the cost of board for livestock in the stockyards is amazing. You would almost think they were feeding them some very great delicacies, to come to the sum it does; and because there was so much cattle held over and held back, there was what amounted to an epidemic of shipping fever. I am quite willing to admit that many of the cattle were the plainer cattle, the feeders, which would go back to the farm for fattening, but still the shipping fever was carried on. I do not see anything there to give the farmers confidence. I think it was an oddly-chosen word.

It is supposed to be true that the trucks are to be thoroughly scraped and cleaned before they return to the country for another load. I do not know whether they are or not. But I know that the trucks do not pass through a disinfecting spray which could easily be arranged, and I think should be done, because the object of the province taking over the stockyards is not to make a profit, but to have the place suitably conducted, from the producers' and consumers' point of view.

That is really all I want to say on agriculture, just simply in reply to that word "confidence" -- "The

taking over of the stockyards has given the farmers of Ontario confidence." Well, if anybody in this House can show me in what way it is giving them confidence, I would be delighted to hear it.

Now, I want to deal with two other subjects. The first one is facilities for working in connection with this Legislature -- probably I should say the lack of facilities.

There was a time in this Legislature when there were just two parties, and they were the two whom we call the old parties, and I think that is the correct designation.

But in those days the work of the Legislature was done entirely -- or almost entirely -- by the people who sat on the Treasury benches, and a few people in the front row of the Opposition, and they did not enjoy having the debate "messed up" by the private members who sat behind them. Anybody who has been in Parliament for twenty years knows that is true. So they had facilities for working. Cabinet Ministers had offices and secretaries and filing cabinets -- amazing things, those filing cabinets. So had the hon. Leader of the Opposition, so they never did any talking or "beefing" about the fact that there is nothing to work with here.

But all that is changed now. To-day it is no longer true that the private members are people who just have to stick around because they are the voting machinery, and are important on occasions, and have nothing to do between the votes. Of course, if you have nothing to do, you do not need anything to work with.

Now, I want the public to know what we have to work with here, and it is very interesting to me, coming from

a place where we had facilities to work with.

There is one room for each party, you can call it a "lounge" or a "caucus room", or whatever you like. We have one; the Liberals have one, and the Labour Progressives have one, and probably the two Independents have one also. In fact, I think they have, and I believe it is the largest of the lot, up in the attic, someplace.

I will illustrate this by our own group. We are 32 people, with one room to work in, and that is the only place we have for committee meetings, for a caucus of the whole party, for dictating, and trying to take care of the accumulated correspondence, and for entertaining visitors, and you cannot entertain visitors when they have any of the other things going on.

I want to give you two experiences which happened, one to me, and one to the hon. member for Fort William (Mr. Anderson) which will illustrate better than a general statement, just how difficult this situation is.

The other day, I was up here in the fore-noon, -- as I am every day -- and I wanted to make a study of a certain matter. I have several books, and I wanted to go through them to see what each one said, without having to read the whole book, and I needed to concentrate on what I was doing, so I started hunting for a place. I went over to what we call the "Opposition Room", and I found two committees in progress there, and that did not seem to be a good place. Then I came into the Opposition lobby here, and the way the thing is laid out, you go from one room to another, and each of them opens into the other, and they cannot be shut off, and there were some working at typewriters, and some standing

over them dictating to somebody working a typewriter, so I thought I would come in here as a last resort, and I sat down at my desk.

Now, I want to tell you the exact condition I found. It is amusing, if this is any place to work.

Next to me was a man dictating; it was not our Leader -- and behind me there were two others. It was in the fore-noon and the boys were not wearing their nice suits with the white collars, school was not in, and they were joking and calling back and forth to each other as they put the bills and various documents on the files of the members. Then, just to cap the climax, the gentleman who keeps this Chamber looking so nice was going up and down with an electric sweeper, cleaning the carpet in the Chamber. That is exactly what happened.

Oh, yes, I must tell you how I finished the morning. It was hopeless here, as you can see; three people dictating, all the boys laughing and talking, and the electric sweeper, and it was too much for anybody, even a strong-minded woman. So I went to the Library and there it was as quiet as a tomb, and I stayed there until I had done my work. And that very day I heard two hon. members talking and one of them said, "The best place to dictate is in the Library."

Well, somebody might say at this point, "Why not go up to the stenographers' room and dictate?" Well, I will parry that question with another. "Have you ever been there?" The conditions which all the stenographers on the sessional staff and the staff of the Journal have are so bad that if it was in an industrial plant there would be a picket

line outside, telling the public that they were suffering from unfair working conditions. There is not a window in the place -- none; not one window. It is just a bit of hall partitioned off, the partition going up part-way. The lighting is high up at the ceiling, and bad for the people who have to use their eyes all the time in their work. There is a lot of glare, and I do not think it could be much worse, as far as I can see. There is no way of getting fresh air in, only one little bit of a grill in the ceiling. I do not know whether it eventually ever gets up to the roof or not -- there is no way to find out -- but at least there is a thing which looks like a register in a hot air furnace heated house.

Well, these things should not be. I do not suppose that we could ask anyone to work under conditions like that, if it was for a lengthy period of time, but of course we do things very speedily in Ontario. We take six weeks to do the legislating for four million people -- just six weeks. I do not know why the House has to rise on the Thursday before Good Friday, and why it starts in the middle of February, but that is the way it is done.

I said to the girls, "How do you stand it?" and they said, "We would not stand it, and we would not even try to, only it is just six weeks," so one thing is sure, that if we are going to lengthen the Session -- and I think we are -- we had better put in some windows now -- well, I will tell you later what we had better do. But something should be done for the rest of this Session. It is terrific. I am not blaming this Government. This thing has been going on for years and years and years, and it is time it was

stopped.

Now, I want to give you the other incident, before I tell you what I would do about it.

The hon. member for Fort William (Mr. Anderson) who is also the Mayor of Fort William has been accustomed to have a place to put visitors when they come to see him. He had three visitors coming in, two were together, and one lone wolf; while the hon. member for Fort William (Mr. Anderson) was casting about to get two chairs for his two visitors, which it seems almost impossible to get, the lone fellow wandered off and has not been seen since. I suppose he thought he was unwelcome.

Now, if you look at these wide corridors out here, you will see perhaps a member and some other people leaning against the railing, or gathered around the wells that look down on the ground floor, or around the rail leading to the top of the stairway, and you think these hon. members are just idling their time away, but they are not. They are entertaining their constituents, or somebody who has come to see them on business, and the only place they have is leaning up against the railing. That is the way it is done here.

I think it is not good enough, and I think we had better get down and do the thing reasonably well, or else shut up the Legislature, and get rid of it. It is either a working place or it is not. I do not think there is any other way we can describe it. If it is a place for work, let this building be the Legislative Building, and put two more wings onto the Administrative Building, that is to the east of this building -- I think it is designed for two

more wings -- get them up, and if it is necessary, put up six more wings, and clear this building out, so that it will be for the Legislature.

There ought to be an office for every few members. I would rather it was for every two members, but if it is four, that is workable, but certainly there should be some place where we could files, where we could leave brief cases -- you see the hon. members going around with these heavy cases. The hon. member for Waterloo South (Mr. L.G. Robinson) carries his in a small suitcase. It is a very elegant one. I was asking him how much it cost, as I thought I would like to invest in one of them myself. The reason they carry them around is because they have no place to leave anything. The only place we have is the desk we sit at in the Chambers here. It reminds me of going back to school, and public school at that.

We did pass through a very terrible depression, and that would have been a wonderful time to have made accommodations here for everybody who is supposed to work here, and we need this centre building if we would have the things that we do need. If we have to have an office for every four members, if we were to have some sort of a place where we could meet just as human beings -- you know, we are still human beings, even though some are C.C.F. and some are Conservatives and some are Liberals and some are Labour Progressives -- I think it would be a good thing if there was some place we could meet on common ground. That is true in almost all institutions, and I think it would be a very nice thing if we had one here. I might even come to feel very friendly towards the hon. Prime Minister -- who knows?

Then I think we need a dining-room with a kitchen attached and a cafeteria for the people who eat around here all the time -- one that looks like something -- I do not know whether any of you have been in the cafeteria, but the food is good and tremendously reasonable, but an awful place to have to eat in. How these people do so well with so little room, I am at a loss to understand. There is one big room with a space curtained off in the corner -- there is no sink with running water; they have gone back to the horse and buggy -- yes, even to the oxen days --they have the water in pails, and the whole equipment has to be on two tables -- I went in and had a look at it -- but in spite of that they do remarkably well. But why do they have to work under those conditions? It is very simple to put in a modern kitchen just back of the cafeteria. There is the stairway there which could easily be covered up, because there is a sort of a kitchen back there -- all these things could be done, and I am insisting that they be done.

I think we are coming to three months sessions in the province of Ontario. I think we need them. I have been on several boards on my lifetime that do business, and I have never seen things rushed like they are here. This year things are a little better, the front benchers have improved marvellously, and sometimes you can even find a page now, before a bill is passed. But it is bad yet. The six weeks is just not enough. I think we need a three months session. I think if we had a three months session that was deliberative, and we sat from two to six or three to six every day, leaving the mornings for committees of the House -- who seldom function --but we

should leave the mornings for that, and also for visiting departments, because Ontario is a big province, and the hon. members are here from very long distances, and when they are here they want to clear up a great many things they have to do with the departments, and they need time for that.

Well, that is a good story, so I am hoping that this next spring we will see -- and I think maybe we will see -- a start made on the two new wings of the building across the short street here, and it will become an Administrative Building and this will be the Legislative Building.

Now, I might as well get it all off my chest. I want to say that I borrowed some books from the Library, and I was amazed to find I had to go through the same routine was if I was going to a public library. I thought this could not be the Library of the Legislature. If you get more than two books at once, and keep them more than two weeks, you have to sign and say you want them for another two weeks. That is an amazing position. I know of parliamentary libraries where you can take 20 books all at once. If they want them the next day, they might call you up and see if you can spare one or two of them, but you can take as many as you like. Of course, you are held accountable for them, but nobody says you can only take two books, and can only keep them two weeks. Frankly, I do not understand it. I often wonder who this place is run for. It is not the hon. members. That is the only conclusion I can come to. I have not yet arrived at who it is run for, but certainly not the hon. members of the Legislature.

Now, the other subject I want to talk upon which I think is the most neglected portion of our population, and that is our aged people. I am sure that all of you know just as well as I do that there are no placed for aged people who have not homes of their own, nor have not children come in and help them if they are a little past taking full care of themselves.

There are some good aged homes in this city, the Bishop Strachan Home is a very good one; the Sunnyside Home, run by the Salvation Army, and the Belmont Home. They are good, but they have waiting lists of from 50 to 200. Nobody can get in without somebody moving out, and usually when they move out, it is the last move.

Now, I am not speaking only about the pensioners. It is true it is a very aggravated situation where they are concerned, but I am not talking about them only. There are a great many people who are independent. I do not mean wealthy, but they are not on pension -- probably just off it, and they still cling to the fact that they have enough money to feed and clothe and house themselves. But they are not capable physically of doing all the things that probably need to be done, and I think I am correct in saying that in the province of Ontario the Provincial Welfare Department assumes no responsibility for the aged citizens, either on or off the Old Age Pension, other than the visit of a supervisor, who probably, if she works very hard, gets around to see them once a year. I think supervisors have hundreds of pensioners on their lists and they are supposed to make one visit a year, but that is not the proper kind of supervision.

I do not think it has ever been done in this country, but I think it should be done. A member of our group asked me to-day if I knew of any home in this city where an old couple, friends of his, could go, who had enough to pay their way. I had to tell him what I had found by hunting and visiting everyone I could find, that there were none -- none.

I would like the hon. Minister of Welfare (Mr. Vivian) to tell us, when he speaks, if the Department of Welfare knows anything about, or has any control over, boarding houses for pensioners, that is, people who have private boarding houses for pensioners, and one can hardly understand that; the profits must be a very small percentage, but still they exist, and I have had some complaints from people who have had some connection with them.

I have visited one. You do not know where they are -- they are not listed, they are just under private names and a great many old people are crowded into a house with no provision at all for recreation, nor for anybody to see whether they are getting the "breaks" for the money they are paying -- just nothing done about it at all. I would like to know about it. I think that Ontario is doing nothing, and I think that Ontario should.

I read recently two very interesting books, one of which I found in the Library, and one of which was given me by a welfare worker, written by George Laughton, and the other is called "Old Age in a New World". Both of them are books which set out what they think should be done, or review what is being some in other parts of the world.

Then, in this book, "Old Age in a New World", there is a review of the work which has been accomplished, or in process, in England, and has some words to say about Sweden.

Now, in Great Britain, the Old Age Pensioners are organized. That was an interesting idea, I thought. And while they have nothing to do with people who are not on pension, they have been very active in seeing that the conditions under which the Old Age Pensioners live have been improved from time to time.

The Society of Housing Managers in Great Britain, points out in this book -- and I will quote from my notes rather than from the book --:

> "There is a tendency in discussing the special needs of the aged to assume that old people all want the same things, when in fact their needs are as varied as those of any other class of the community. They all need privacy and furniture, entertainment and health, quiet, and some excitement, and each individual wants these things in different degrees."

Then the Housing Managers said:

> "We need to build houses or flats especially to meet the needs of the old."

In Canada, as far as I know, that has only been done in one place, and that is in the city of Edmonton, by one of the Service Clubs -- I think it is Rotary, but I would not be sure on that point. They have done something to provide housing suitable for the aged.

Then this British authority goes on to say:

> "The old are much happier if they can have their own furniture and their own treasures with them."

I think we all know how true that is.

Then I want to quote to you from page 34 of this book, about one plan that they have now in force in Great

Britain. We often quote about Britain at other times, and this seems as good a time as any. This is a plan followed by the Burrough Council of Nelson -- I think it is; it is in what looks to me like "Northeast Lancashire", although it is not written in altogether. This includes 47 bungalows, accommodating 200 old people. These bungalows are grouped about plots of grass and are conveniently near a main road. The pioneer enterprise consists in the provision of two striking amenities, namely, an old peoples' centre, and an old peoples' visitor. The centre is close to the bungalows and contributes much to the social life of the tenants.

The duties of the visitor, who lives in a house on the estate, comprise helping the old people in every way possible.

(Page 1354 follows)

It says:

> "The duties of the Visitor, who lives in a house on the estate, comprise helping the old people in every way possible. She co-operates with the local Receiving Officers, Doctors and District Nurses, and sees that their instructions are carried out. Apart from the practical help given by the Visitor, the knowledge that they have a friend on whom they may call in an emergency, is of inestimable value to the old people."

and other quotation from it:

> "With increasing years many old people can still continue to lead practically independent lives in their own homes provided they can readily obtain a little nursing care and other help when temporarily indisposed. To meet this need various building schemes exist consisting of groups of bungalows or cottage flats with a communal block containing a kitchen and dining room in which it is possible for the tenants to take their main meal of the day and which also houses a nurse or matron who can keep watch over the old people and care for them if they are sick.

Now, that is now something that is going to be done; that is something that has been done in Great Britain. One could, if the House were interested in the subject, quote at very much greater length on it.

They have a very interesting thing in one of the big hospitals - it is the Out-patients Department of a large London hospital, and they have a club which weekly uphold people, both men and women, who have been coming to this Out-patients Department for treatment and gone into all sorts of work therapy, and one of the interesting things they have done is to adopt a prisoner of war as a child of that old group, and it says:

> " A significant point of psychological interest is that after a time many members lose the habit of regular attendance at the hospital"

That is, they found something to be interested in, somebody to help and they work and sell what they make in order to keep this adopted prisoner of war of theirs, and therefore they are healed.

I think we all know that it is true. If you can keep old people or people not so old interested in doing things they are much more likely to stay well.

Then they have a club in London also which they call The Darby and Joan Club, which is in the South West of London, and they have a place where they serve old people a two-course dinner at a charge of 8d. Tea, including an egg provided by the Club's chickens - I did not think there were chickens in London, but that is what it says. They can get tea at cost but once a week only for each person, at a cost of 6d. This Club which is subsidised by subscriptions and donations, has a membership of over 1,000 and is open all day. That is, it is an old people's centre. That does seem to me some of the things that we could model action on here. I think that we must undertake to do something about our old people, and it is well to see what other people are doing about it first. You see, one of the sad things about old people who are healthy is that they are shoved off in a corner and they have no work to do. This book "New goals for old age" is nearly all from psychriatic point of view and they say over and over again, many nurses and doctors and people in charge of the aged, they say that one of the things that is needed to keep old people or children well from illness, both physical and mental is to keep them as busy as their diminishing strength will allow. They certainly cannot do what they once could, but the fact that there is something that they can do keeps them well in every way. I think we all know how true that is; that is, if there is nothing to do, if we have nothing to do, often we think we would like to do nothing but if we have nothing to do every day or two we are really in misery. That

is one of the things about age we socially will have to face, that we just cannot cut work off at some point and after that as long as you live you do nothing again.,even little things, in active years you would hardly call work, but it is the responsibility of age and it does a lot for them.

Then they review what has been done in Sweden and all of these writers agree that Sweden has done the best job in the world. I think you can pretty well judge the advance of civilization by the treatment of two groups - the young and the old, and by these standards I think Sweden and all Scandinavian countries are very civilized. I want to quote exactly what this writer, whose name is Samson, has to say on Sweden. I do not mind taking up time on this subject because we had a lot of time this afternoon which was spent in less useful discussion. You know, sometimes I think when I listen to a debate that I get sick, that one of the things we need in every legislature and in parliament are more women. Anybody who sits in this gallery month after month would never think that women are the talkers. But this is what the writer has to say about Sweden:

> "In most parishes in Sweden there are small old people's houses in which aged necessitious people can find rooms at extremely low rentals. There are also large communal homes, such as that in Stockholm associated with the names of King Oscar and Queen Sophia in which the tenants, married couples and single men and women, have their own apartments which are conveniently planned and charmingly furnished and decorated. Tenants add their own personal treasures. There is a communal kitchen from which main meals are served, and also small "coffee" kitchens on each floor for the use of the tenants themselves. Doctors wtch over the tenants who are free to lead their own lives within the limit of their strength."

and then the author goes on to say:

> "Although these homes were designed primarily for people with old-age pensions, persons with private incomes are taken, the maximum payment being 1.80 Sw.kr (1s.9d) a day. But all tenants are taken in strict rotation of application and have to take identically the same chance of rooms as tenants who have no private incomes; they are all treated exactly the same. The fact that there are many applications from better-off people is a tribute to the imaginative treatment given by the State to the old; but there is no expenditure on a single item which could be called wasteful. These homes are really suited to the needs of the people who live in them."

and it says:

> "The main thought was that the homes for the aged should be built so that the aged would feel themselves at home, as if they were living in a small place of their own."

I mean that is ideal. I would not expect us to reach that at once, but I had a public meeting a week or so ago and a man come up to me -I mentioned this subject and he came up afterwards and said that he was terribly concerned about it because he was a contractor and he had been invited into a house in the City here, a very large old house, to make some changes, and he said that it was one of those boarding houses for pensioners and that the conditions were- well, he said they certainly not civilized. He said "who is looking after this thing? Why does this go on?" and so I asked him to tell me what he saw. "Well," he said, "I do not like to make a statement that sounds foolish but I am sure there was fifty old people in that one dwelling". He was down in the basement and up in the attic and the place was not clean and those that were too senile - not accountable for coming back as they went out, they were just locked in a room with no care at all and he said, "I feel we are all very much to blame for this thing, because these are the people who by their hard work brought us this far", and let me tell you the harder they worked and the less they werepaid the heavier is our responsiblity

regarding them because it simply means they did not get enough pay for the work they did to provide for a better old age.

But, in closing, I want to say I am not talking only about pensioners. There are a great many other people who are not on pension but were poor and they are not able physically to do all the things that they need to have done and yet they are most anxious to go on living in some place of their own. I think in housing, in welfare work, in medical care, in nursing care that we are neglecting our aged citizens and I think the whole field should be reviewed by the Welfare Department, and that we should know all of it, since we are not in any of it, we ought to start right. I do not think we have any housing program for this province. I have not been able to find any but when we do start building houses again it is one project there is great need for-housing designed for the use of old people, where they will be happy, where they will be comfortable and that will be available at low rentals. So I cannot see anything for it but these houses will have to be built by the province and subsidized by the province. They wont be able to give enough to give them total housing. I think they should pay as much as they are comfortably able to do. They feel better. With what they can do and what we can do we should be able to provide housing and provide good medical care--I do not mean medical care where they are experimented upon by people who want to experiment, but medical care such as you receive in the home. I talked to some old pensioners who had medical care and they are most unhappy about it. Some of them may have been extreme but some were not so. When I am talking about medical care I am talking about medical care. It will

be costly and I am not a bit bothered about it. That is where I want to see money spent. Taking in these two things I think they are more important than any other.

I was in Russia in 1936. I met a medical doctor, a woman, a Russian, and Russians were very badly dressed in 1936 and she asked me if I would talk to her. She heard two or three of us talking. She spoke very good English and came to me and asked me if I would sit down on the steps of some public building we were standing in front of and I said I would. It was a beautiful September day and we sat down. I said "You must have had your University training before the revolution" and she said she had, and I asked her "Was not it very hard on people of independent means, as your people must have been, to go through the revolution" and she said "It was hard, but after all I am a Russian and there are compensations." I said "What are they?" and she said "I think they are different for different people but I will tell you what my compensations are." She said "My compensation for this"--and she made a gesture of disdain towards her clothes, which undoubtedly would not be the kind she were before the revolution--"my compensation is that the old do not dread much, they get care, they are members of the community, and the other is," she said "that the youth, the babies the very year they are born up until they are fully trained, know that they get trained into things they want and that they wont be unable to go to school because their parents have not money." She said those two things--"Care of the children and the care of the aged, compensate me for what I have had to suffer."

MR. J. FRANK KELLY (Muskoka-Ontario): Mr. Speaker, in the absence of the hon. member for Wellington-North (R.A. McEwing) I move the adjournment of the debate.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): I move the adjournment of the house.

MR. JOLLIFFE (Leader of the Opposition): Will the Hon. Prime Minister indicate what we are likely to do on Thursday?

MR. DREW (Prime Minister): Yes, we will proceed with the Debate on the Speech from the Throne.

Motion agreed to; the house adjourned at 10.55 p.m.